



**Submission of Rejoinders to the
Objections/Suggestions Received on
Aggregate Revenue Requirement &
Wheeling and Retail Supply Tariff
Application filed by TPNODL
for the FY 2026-27**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025 & 127/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL),
Corporate Office- Januganj, Odisha.

.....**Applicant**
AND

IN THE MATTER OF: Rejoinders to the objections received against the Aggregate
Revenue Requirement, Wheeling and Retail Supply Tariff
Application filed by TPNODL for the FY 2026-27.

Affidavit verifying the submission of TPNODL

I, Sri Pratap Kumar Mohanty, aged about 59 years, S/o. late Gyanendra Prasad Mohanty working as the Sr. GM (Risk, Regulatory & Legal), do hereby solemnly affirm and state as follows:

1. That, I am authorized representative of the TPNODL, the petitioner in the instant case and competent to swear this affidavit for and on behalf of TPNODL.
2. That, I have gone through the contentions in this submission and understood the contents thereof.
3. That, the facts stated in the submission are true to the best of my knowledge and belief.

Date: 27.01.2026

DEPONENT

Sr. GM (Risk, Regulatory & Legal)

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025 & 127/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL),
Corporate Office- Januganj, Odisha.

.....**Applicant**
AND

IN THE MATTER OF: Rejoinders to the objections received against the Aggregate
Revenue Requirement, Wheeling and Retail Supply Tariff
Application filed by TPNODL for the FY 2026-27.

**Rejoinder to the objections received on the Aggregate Revenue Requirement, Wheeling
and Retail Supply Tariff Application of TPNODL for the FY 2026-27.**

THE ABOVE-NAMED APPLICANT TPNODL, MOST RESPECTFULLY SHOWETH:

1. That, the Public Notice on the ARR and Tariff Application of the licensee were published in three numbers of daily newspapers as per the direction of Hon'ble Commission vide letter no. Case no. 124/2025/1591 dated 17.12.2025.
2. That, TPNODL has received 23 nos of objections which are also listed by Hon'ble Commission and communicated to the Licensee vide letter no. Case no.124/2025/96 dated 22.01.2026. In compliance to the direction of the Commission, a consolidated rejoinder to the objections received on the ARR & Tariff application of the licensee are submitted attached herewith.
3. Further, TPNODL submits that the Hon'ble Supreme Court of India in a common judgement dated 06.08.2025 in WP(C) 104 & 105 of 2014 WP (C)1005 of 2021 and

Civil Appeal No. 4010 & 4013 of 2014 has issued certain directives on cost reflective tariff.

Licensee prays before Hon'ble Commission to kindly consider the above judgement of Hon'ble Supreme Court of India while disposing of our True-up petition for FY 2023-24 & FY 2024-25 and ARR Petition for FY 2026-27.

For and on behalf of
TP Northern Odisha Distribution Limited

Sr. GM (Risk, Regulatory & Legal)

Place: Balasore

Date: 27.01.2026

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**
AND

IN THE MATTER OF: Shri Basudeb Bhatta, Co-Convenor Aama Janata Adhikar, 226, Kharvel Nagar, Unit-3, Bhubaneswar-751001

.....**Objector**

Rejoinder to the objection filed by Sri Basudeb Bhatta against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27

1. Respondent's view/objection: Line Network status as on the day of vesting

TPNODL Reply: TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the License of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order of Hon'ble Commission.

2. Respondent's view/objection: Unjustified and burdensome tariff hike and excess tariff recovery.

TPNODL Reply: Section 61 of the Electricity Act 2003 not only requires a tariff to be affordable, protect consumer interest, this also guided by principle of recovery of the cost of electricity in a reasonable manner, the principles rewarding efficiency in performance, and principle of reflection of the cost of supply of electricity and reduction of cross-subsidies. The Relevant extract of Section 61 is provided hereunder.

Section 61. (Tariff regulations):

The Appropriate Commission shall, subject to the provisions of this Act, specify the terms and conditions for the determination of tariff, and in doing so, shall be guided by the following, namely: -

(d) safeguarding of consumers' interest and at the same time, recovery of the cost of electricity in a reasonable manner;

(e) the principles rewarding efficiency in performance;

[(g) that the tariff progressively reflects the cost of supply of electricity and also, reduces cross-subsidies in the manner specified by the Appropriate Commission;]

Retail supply tariff is a reflection of cost of supply. If the cost of supply is high, retail supply tariff also required to be in higher side. With respect to the Cost of Supply (CoS), the Hon'ble Commission in RST Order FY 2022-23 under para 70 has held as under:

“The Cost of Supply is the cost incurred by the utility to supply one unit of electricity at its consumer's metering point and is a crucial part of the tariff setting process. The purpose of computation of Cost of Supply (CoS) is to apportion all costs required to serve consumers of different categories in a fair and an equitable manner giving proper price signals and identifying subsidy/cross-subsidy among consumer categories for developing an appropriate policy and a regulatory way forward. Tariff setting is a revenue balancing method. The revenue requirement of DISCOM is met through tariff recovered from the consumers. The revenue can be of two categories i.e. revenue recovered from the consumer for sale of power and miscellaneous receipt from other activities of DISCOMs. The revenue requirement to be earned through tariff will be less if miscellaneous receipt is given credit as a part of the revenue earned. This in turn will reduce tariff to be charged to the consumers. The cost of supply is not necessarily equal to average tariff. This is because of miscellaneous receipt shall be utilised to meet the revenue requirement which would have otherwise been recovered from the consumer through tariff.” (Emphasis added)

However, in line with clause 8.3 (2) of the Tariff Policy 2016, the average tariff of the state is well within +/-20% of Average cost of Supply

DISCOMs are charging electricity tariff strictly in accordance with the tariff approved and notified by the Odisha Electricity Regulatory Commission (OERC) for the respective financial years. Tariff determination is a two-stage regulatory process. In the first stage, the tariff for the ensuing financial year is approved by OERC based on prudent estimates of revenue and expenditure. In the second stage, a “true-up” exercise is undertaken wherein actual revenues and expenses are examined based on

audited data, and any surplus or revenue gap so established is appropriately passed on to consumers in accordance with regulatory principles. Hence, assumption of Ld. Objector that DISCOMS recovered excess revenue from consumer is not true.

3. **Respondent's view/objection:** Persistent Service deficiency, poor past performance and inflated claim in True up filling.

TPNODL Reply: Prime objective of the TPNODL is consumer satisfaction and accordingly carry out the business in a meticulously structured and efficient manner. TPNODL take all necessary steps to ensure quality power supply and service to the consumers more than targeted performance trajectories of Hon'ble Commission. Monthly billing and claim of additional Security deposit is guided by OERC Regulation, 2019. The DISCOM strictly follow the Regulation with respect to billing and additional security deposit.

The license has been granted to the present applicant with certain performance targets with specified timelines. TPNODL successfully over achieve its entire target within definite period, i.e. in respect to collection of past arrears, Reduction of AT&C loss, Investment in CAPEX, Metering of consumer etc. So, allegation of Ld. Objector in respect to poor past performance is not correct.

In the Truing-up filing, the audited financials of TPNODL for FY 25 along with details calculation has been submitted before Hon'ble Commission. The justification behind all component of truing-up exercise have been elaborated in the application of the applicant.

4. **Respondent's view/objection:** Coercive and exploitative practice and over estimation of revenue GAP.

TPNODL Reply: During initial operation phase of the licensee, issue in timely raising some of the consumer's bills was observed. However, in the present scenario consumers are provided multiple option like Customer Service Center, Anubhava Kedra at Sub-division level, and through WhatsApp no. for resolution of their dispute in respect to metering, billing, collection or any other issues. If Ld Objector has noticed any such case action of coercion, the same may please be brought to the notice of the licensee.

Regarding overestimation of revenue gap, this is to submit that all component of ARR, i.e. sales etc. are supported by past year and current 1st half data and proper justification. That, TPNODL has made certain assumptions while projecting its operations for the ensuing year. These projections are based upon the best estimates of the operations and prospective plans of the DISCOM at the time of the ARR filing.

The actual ARR and the revenue figures may be different from the above estimates due to several external factors. Hon'ble Commission will examine all component of ARR, i.e. Sales and expenditure etc, in accordance with regulatory principles, and surplus or revenue gap if any so established is appropriately passed on to consumers. Hence allegation of Ld. Objector is not correct.

5. Respondent's view/objection: Adverse Impact on vulnerable consumer

TPNODL Reply: It is to bring out that, Hon'ble Commission is guided by the principles of National Tariff Policy for setting tariffs for different category of consumers. Relevant extract from section 8.3 of the National Tariff Policy, reproduced hereunder:

1. *Consumers below poverty line who consume below a specified level, as prescribed in the National Electricity Policy may receive a special support through cross subsidy. Tariffs for such designated group of consumers will be at least 50% of the average cost of supply.*
2. *For achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission would notify a roadmap such that tariffs are brought within ±20% of the average cost of supply..."*

To support the economically weaker category of consumers, cross subsidization is being followed. The consumers with lower consumption like less than 30 units are considered below poverty line. Similarly, to support the consumers falling under lower consumption slabs, like less than 50 units, 50 to 200 units, lesser rates have been fixed which is gradually increased.

Hence, while fixing tariff all possible measure is being taken by Hon'ble Commission to protect vulnerable section.

6. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred by the objector for further clarification.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)
C.C. to: - Shri Basudeb Bhatta, Co-Convenor Aama Janata Adhikar, 226, Kharvel Nagar, Unit-3, Bhubaneswar-751001. E-mail: office.bhatt@gmail.com

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: Sri Priyabrata Sahu, S/O- Late Adikannda Sahu, At-Bijaya Bihar,
3rd Lane Extension, PO-Berhampur, Dist-Ganjam-760004.

..... Objector

Rejoinder to the objection/suggestions filed by Priyabrata Sahu against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2026-27

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order dated 25.3.2021 in Case No-9/2021 of Hon'ble Commission.
2. **Respondents View/ Objection: The ARR of all Discom proposes an unnatural hike in expenditure in employees' cost, Repair & maintenance cost and A&G expenditure.**

TPNODL Reply: Every expenditure is supported with detailed backup calculation and proper justification, which will be reviewed by Hon'ble commission as per Regulatory principles before being allowed in the tariff order.

Allegation of the Objector regarding increase in power outage during TATA Power tenure is also not correct. Rather power outage during TATA Power tenure is reduced substantially and also decreasing year by year. This can be observed from the SAIDI (System Average Interruption Duration Index) and SAIFI (System Average Interruption Frequency Index) are given in below table.

FY	SAIDI (Hrs)	SAIFI (Nos)
2021-22	455.51	680
2022-23	378.39	621
2023-24	348.95	576
2024-25	324.31	526

- 3. Respondent's view/objection: Bills of consumers are not served in the time and generated on provisional but same time rebate are not passed on to the consumer when the actual bill is generated.**

TPNODL Reply: TPNODL has managed to reduced provisional billing to approx. 0.5% of the consumer base as compared to 15% during the takeover. In all the cases, customer meter is read using OCR (Optical Character Recognition Tool which automatically scan the meter reading without Manual intervention) and bills are handed over to the consumer on the spot.

Further, various channels like Customer Service Center, Call Centre, and Chatbot based what's app no. and Anubhav Kendra etc. have been introduced in last 4 years for quick resolution of consumer grievances related to the above matter or any other issues.

- 4. Respondent's view/objection: DISCOMs are disconnecting the power supply without proper notice and the same should be stopped immediately. The smart meter is disconnected without proper notice violating OERC directives.**

TPNODL Reply: TPNODL is not disconnecting the supply without prior intimation to a bona-fide consumer. Disconnection of power supply is done as per the provision of OERC Distribution (Condition of Supply) Code, 2019 regulation. Licensee always serve proper notice to consumers as per provision of Supply code before disconnection of supply for non-payment of electricity bills. However, objector is requested to bring the individual cases to the notice of the licensee for further clarification. TPNODL also provides the pre-shut down information over mike announcement to its valued consumers prior to execution of any major maintenance activity.

- 5. Respondents View/ Objection: While calculating the interest on Capex loan is charged for whole year.**

TPNODL Rejoinder: The interest on Capex loan has been charged in a staggered manner instead of the whole year as objected. For details applicable interest rate objector may please refer the respective financial format of ARR Application.

6. Respondent's view/objection: Discom shall give the detail financial benefits derived from the Capex Plan on account of loss reduction and its impact on tariff.

TPNODL Reply: The detailed capex plan along with Detailed Project Report are furnished before the Hon'ble Commission each year as per provision of Vesting Order of licensee and OERC (Terms and Condition for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022. Accordingly, Hon'ble Commission hears it in Public Hearing and issues the order by way of analyzing the inputs from all stakeholders.

The AT&C loss has been reduced from 25.17% in FY 21 to 12.64 % as on FY 25 and the power supply hours have been 23:11 hrs in average during FY 2024-25, the corresponding extra billing and collection are the derived impact of the capital investments done so far. There is no hike in Retail supply tariff in last four years despite of significant increase in Bulk Supply tariff.

7. Respondent's view/objection: If any person requiring supply under LT or HT is prepared to take the supply through a pre-payment meter if available, the distribution licence/supplier shall not be entitled to collect the security deposit from such person.

TPNODL Reply: The licensee reciprocates the contention of the objector under prepaid meter regime obviously there shall be no claim of security deposit. However, the licensee shall abide the direction of the Hon'ble Commission in this aspect.

8. Respondent's view/objection: Regarding refund of Security Deposit to the consumers

TPNODL Reply: Many consumers considering their expansion program and consequent load enhancement are reluctant for refund of their excess security deposit. Therefore, instead of refunding excess security deposit to all eligible consumer, the licensee refunds the security deposit to the aspirant consumer only. However, interest at the rate approved by the Commission is being paid to the consumer on their total balance in security deposit account. During financial year 2024-25 TPNODL refunded excess security deposit an amount of Rs 42.93 Cr to the consumer against ASD collection of Rs 5.21 Cr only.

9. Respondent's view/objection: As per the present tariff order DISCOMs to evaluate the energy bills of industrial consumers in kVAh and the present proposal for charging kVAh tariff to LT consumer is indirectly increasing the tariff applicable to LT consumer

TPNODL Reply: Hon'ble Commission introduced kVAh billing system first time in FY 21-22 for HT & EHT consumers. Whereas consumers in LT categories using inductive load are being billed on kWh and kept excluded from this. Such consumers are also causing the current to lag behind the voltage, resulting in a lagging power factor, voltage spike and flow of reactive power to network thereby putting stress on the network of discoms.

There is a need to enforce kVAh billing also for the such categories of consumers so that they are encouraged to maintain power factor and in case they do not maintain it, bear the necessary cost.

In view of above Hon'ble Commission is request to introduced kVAh billing for the consumers under LT Categories excluding domestic consumers, so that we can manage reactive power appropriately. This move will protect the interest of consumers who are efficient in managing power factor during the course of use of electricity

10. Respondent's view/objection: Discrimination of energy billing between HT & LT industrial consumers with KVAh & kWh respectively through the procurement of energy by the Discom in BST are being generated in kWh from GRIDCO.

TPNODL Reply: The contention of the objector regarding adoption of KVAh billing is not true. Adoption of KVAh billing will help in maintaining the power factor and hence in system stability from technical point of view.

It is further submitted that, by adopting KVAh billing in place of kWh Billing the recent pattern of Power Factor penalty imposed on the consumers will be abolished. The objective of introduction of KVAh billing is to ensure reduction in losses which occurs due to low power factor and for encouraging the consumers to maintain their power factor near to unity Power factor.

11. Respondent's view/objection: Standardization of DTR size as per BEE standards and Distribution loss.

TPNODL Reply: This is to bring into kind information of the Ld objector that, Licensee has taken several initiatives towards loss reduction through its Capex plan in phased manner. We are also replacing the lower rating DTs with higher ratings as per BEE

standards. All new foundations are being constructed keeping the future upgradation of the PTR /DTR in lesser time. TPNODL has also started to phase out the small rating (10 KVA, 16KVA) distribution transformers. TPNODL has bring down the distribution loss from 18.40% in FY 2021-22 to 12.48% in FY 2024-25.

12. Respondents View/ Objection: There should be no tariff hike.

TPNODL Rejoinder: The tariff to be charged from different consumer categories as per Supply Code Chapter IX Section 141 to 146 is to be determine by Hon'ble Commission based on sales and expenditure for the ensuring year 2026-27. ARR filed by TPNODL strictly as per provisions of Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, which is under review of Hon'ble Commission.

13. Respondent's view/objection: GRIDCO equity in kind.

TPNODL Reply: Licensee never claims ROE and depreciation on the assets created through Government fund/schemes. We also submit the audited financial statements before hon'ble Commission for its prudence check.

14. Respondent's view/objection: Interest free loan to the employees.

TPNODL Reply: This is to bring into the information of the Ld. Objector that the respondent Licensee has not proposed any interest free loan to its employee in ARR Application FY 2026-27.

15. Respondent's view/objection: Regarding Capital Investment

TPNODL Reply: Company prepares detailed project report (DPR) for capital expenditure and it is submitted to Hon'ble Commission for approval. Commission after detailed examination, issues an approval order to spend capex under various heads such as Safety, Reliability, Load Growth, Technology & Civil Infrastructure, Administration. All those DPR consist of many items which forms part of capital assets (CAPEX). In accounting and commercial parlance, an item of product/material by itself doesn't represent as opex/capex, rather it depends on the nature of uses of that item of product/material. IND AS 16 (issued by MCA), deals with this and it lays down specific criteria to recognize an item of expenditure as CAPEX. Criteria are:

- a) it is probable that future economic benefits associated with the item will flow to the entity; and
- b) the cost of the item can be measured reliably.

IND AS also gives liberty to an entity to use its judgement in applying the recognition criteria to an entity's specific circumstances.

Another factor is one of the fundamental principles of accounting is "materiality". An entity may decide to expense (Opex) an item that could otherwise have been a capital expenditure (Capex) because the amount of expenses is not material.

Nature of use as well as materiality is the prime governing principle to decide an item of expenditure to be of opex/capex. Company follows sound principle of materiality and consistency with robust processes around CAPEX/OPEX. It is entitled for ROE, depreciation and interest only on the Capex approved by Hon'ble OERC.

16. Respondent's view/objection: The true up expenses of past year must as per actual and as per regulation and income tax and tax on equity.

TPNODL Reply: As per provision of Regulation 2.6.6 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022, licensee files combined application every year for approval of Truing up of previous year; Annual Performance Review (APR) (considering actual performance of first 6 months and projection for next / subsequent 6 months of the year) for current year, Annual Revenue Requirement (ARR) for determination of tariff for ensuing financial year. Licensee also submits before Hon'ble Commission the annual audited financial statement along with Truing up application for prudence checks.

The tax on return on equity (RoE) @ 25% is a standard in the sector and ensures financial viability. Further most of the State Regulators across the country has specified Return on equity for Distribution companies @ 16%. State like Andhra Pradesh, Assam, Chhattisgarh, Punjab, Rajasthan, West Bengal etc. having existing RoE @ 16%. Further, Over Drawl Penalty, Supervision charges DPS etc. are part of the Non-Tariff incomes, same are being treated as per provisions of the OERC Tariff Regulation-2022.

Further, this is mentioned here that the AT&C loss has been reduced from 25.17% in FY 21 to 12.64 % as on FY 25 and the power supply hours have been 23:11 hrs in average during FY 2024-25, the corresponding extra billing and collection are the derived impact of effective utilization of O&M expenses and capital investments done so far. There is no hike in Retail supply tariff in last four years despite of significant increase in Bulk Supply tariff

17. Respondent's view/objection: Non-tariff income such as rebate to the consumer, supervision charges, over drawl penalty & DPS should be passed on the consumer in full instead of 1/3rd proposed by all Discoms.

TPNODL Reply: This is to bring into kind information of the Ld objector that supervision charges, over drawl penalty & DPS are part of the non-tariff income.

Further, as per regulation 5.9 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022, the amount of Non-Tariff Income relating to the Retail Supply of electricity as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in calculating the tariff for retail supply of electricity of the Distribution Licensee. Therefore, treatment of Non-tariff income is being done as per the provision of OERC Tariff Regulation-2022.

18. Respondent's view/objection: Levy of DPS to domestic and GP consumers as proposed by all the Discoms.

TPNODL Reply: The respondent License has provided the detailed justification under para 9.2 of the ARR & Tariff application towards approval for Levy of DPS to domestic and GP consumers. Hon'ble Commission may suitably decide the matter.

19. Respondent's view/objection: LT Open Access will benefit large base of LT intuitional consumers and jeopardise interest of small domestic consumers.

TPNODL Reply: The purpose of Green Energy Open Access (GEOA) rules is to accelerate India's renewable energy transition by enabling commercial and industrial (C&I) consumers to buy clean power directly from generators, bypassing local utilities, thereby ensuring affordable, reliable, green energy, cutting emissions, and reducing power costs through simplified procedures, lower entry barriers (down to 100 kW), and clear charges for grid usage. These rules empower consumers to choose green sources, promote competition, and support national clean energy goals.

In line with the Ministry of Power Green Energy Open Access (GEOA) Rules' 2022, OERC has also notified Odisha Electricity Regulatory Commission (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023 on 11th January' 2023 for promoting Renewable Energy in the state of Odisha.

Considering all applicable guidelines specified in said regulations, Licensee has prepared and filed application before Hon'ble Commission for determination and approval of Wheeling Charges, Wheeling Losses, Cross Subsidy Surcharge for LT Consumers intended to avail green power through Open Access. It is requested before Hon'ble

Commission to decide the matter suitably and issue necessary implementation direction in this regard.

20. Respondents View/ Objection: Regarding R&M on Govt. funded Meters

TPNODL Reply: The licensee never claims R&M on meters installed through Govt. funded schemes. Further, all Four Discoms of Odisha had proposed the proposal for Installation of Smart Meter under CAPEX and Abolition of Meter Rent. Further, Hon'ble Commission under para 99 (2) vide Retail Supply Tariff Order dated 24.03.,2025 pronounced direction regarding installation of Smart Meters, the relevant extract is reproduced hereunder:

.....
In order to reduce the tariff burden on the consumers due to proposed CAPEX Plan of DISCOMs for smart metering, the State Government intends to provide capital subsidy/grant to the DISCOMs, in a phased manner for consumers with CD up to and including 2 kW towards installation of smart meters. Meter rent from such consumers (with CD up to 2 kW) may not be recovered to encourage speedy implementation of smart metering in the state.
.....

In compliance to the direction of the Hon'ble, Licensee has stopped recovering meter rent against installation of smart meters for consumers up to 2 kW Contract Demands with effect from 1st April' 2025.

21. The justification behind other tariff rationalization measures have been elaborated in the application of the applicant.
22. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred by the objector for further clarification.

For and on behalf of

TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

Cc to: Sri Priyabrata Sahu, S/O- Late Adikannda Sahu, At-Bijaya Bihar, 3rd Lane Extension (Tower Line) PO-Berhampur, Dist-Ganjam-760004. E-mail: sahu.priyabrata999@gmail.com. M. No.-9439262684.

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: Shri Panchanana Jena, Working President, Bijuli Karmachari Sangh, Berhampur-760010.

.....Respondent

Rejoinder to the objection filed by Shri Panchanana Jena, Working President, Bijuli Karmachari Sangh, Berhampur, on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2026-27 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .

2. **Respondent's view /suggestion: Data on recruitment as on Dec-2025**

TPNODL Reply: The licence has been issued to TPNODL with certain stringent investment conditions and performance trajectories which are also associated with penalty provisions on non-achievement. The applicant has made a comprehensive recruitment plan and made recruitments at strategic locations to carry out the business in a meticulously structured and efficient manner to meet the targeted performance trajectories of Hon'ble Commission as well as to provide quality power supply and service to the consumers. In compliance with the vesting order, TPNODL has submitted before Hon'ble Commission the Staff deployment plan and management structure and annual addition to that is taken up as per the approval of Hon'ble Commission.

Total nos. of CTC employee at TPNODL is 1249 as on Dec-2025 under Executive and Nom-Executive cadre. Further, 69% of the total recruitment is from Odisha domicile. Details of recruitments done, proposed to be recruited, retirement plan have been detailed in Table No-12, Page no. 16 of the ARR application FY 2026-27 of the licensee.

With regard to the contention of the Ld Objector to absorb people who have worked long years in the organisation, TPNODL has absorbed 83 nos. of BA linemen last year who have worked in the organisation for more than 15 years meeting other required eligibility criteria fixed.

3. Respondent's view /suggestion: Expenditure in R&M and A&G:

TPNODL Reply: Licensee has proposed R&M and A&G expenditures a per provision in the OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff), Regulation' 2022

Repair and Maintenance Expenses- The projection of opening Gross Fixed Asset has been done considering the assets transferred from various schemes, the assets capitalised as per the norms fixed by Hon'ble Commission in the Tariff Regulation. Detailed break-up of the assets along with the projected expenses have been furnished in the ARR application which may please be referred.

A & G Expenses-The details of the A&G expenses incurred and the justification against the cost components along with the achievements so far have been elaborated in the application of the licensee which may please be referred. TPNODL would like to submit that the said costs reflect the expenses incurred in ensuring accurate meter reading, bill generation, and timely delivery, along with maintaining the necessary infrastructure and systems for these operations. It includes manpower costs, data management, printing and distribution, as well as investments in technology to enhance accuracy and efficiency. The Licensee continuously strives to optimize costs and improve operational efficiency while maintaining the quality and reliability of services.

4. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

Cc to: Shri Panchanana Jena, S/o Late Bairagi Jena, Sakti Nagar 3rd Lane, Near Engineering School Road, Berhampur-760010, E-mail: jena.manoranjan1@gmail.com.

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**

AND

IN THE MATTER OF: Principal Chief Electrical Engineer, East Coast Railway, Rail Sadan,

Chandrasekhpur, Bhubaneswar, Odisha – 751017.

..... **Objector**

Rejoinder to the objection/suggestions filed by Principal Chief Electrical Engineer, East Coast Railway against on the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2026-27

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order dated 25.3.2021 in Case No-9/2021 of Hon'ble Commission.

Reply to the points raised by the Ld. Objector are furnished hereunder

2. **Respondent's view/objection:** Hon'ble OERC is requested to treat Railway as separate category and fix tariff (EHT & HT) at lower level than that of tariff for other EHT & HT consumers in the state. **(Reduction of Higher Demand Charge and Energy Charges) and increase the special rebate applicable**

TPNODL Reply: Railway Traction is a separate category as per the classification made in the OERC Distribution (Condition of Supply) Code, 2019.

The tariff applicable for railway traction consumers is furnished below

Slab rate of energy charges for Railway Traction EHT (Paise/kVAh)

Load Factor (%)	EHT
= < 60%	580.00 with rebate of 25paise per unit
> 60%	470.00 with rebate of 25paise per unit

Applicable Demand charge is Rs.250/KVA alongwith customer service charges of Rs.700 per month. The tariff applicable in other neighbouring states has been furnished in the following table :

S.NO.	States	Demand Charges (per kVA per month)	Energy Charges
1	Chhattisgarh	375	5.55 per kVAh
2	Andhra Pradesh	350	6.50 per kVAh
3	Jharkhand	300	5.05 per kVAh
4	Madhya Pradesh*	344	6.08 per kWh
*A rebate of Rs 2 per Unit in energy charges is applicable. This rebate shall be applicable up to FY 2025-26			
6	Bihar#	540	8.16 per kVAh
#13 Ps/kVAh of rebate shall be provided for availing supply at voltages higher than 132kV.			

From the above table, it can be noticed that the tariff applicable in Odisha is much less than that applicable in other states. So, there is no need to fix tariff at a level lower than that of tariff for other EHT & HT consumers.

- 3. Respondent's view/objection:** Hon'ble OERC is requested to allow load factor incentive for Railway Traction category from 40% instead of 60%.

TPNODL Reply: Present energy charges applicable for consumers under HT & EHT Category is as follows:

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

Load Factor (%)	HT	EHT
= < 60%	585.00	580.00
> 60%	475.00	470.00

Presently Railway is covered under Railway Traction EHT Tariff where they are eligible under the above applicable Load Factor slab. Hon'ble Commission has also allowed a special rebate of 25paise per unit to Railway Traction for all the units consumed in addition to all other rebates they are eligible for. So, there is no further requirement for reduced tariff.

4. Respondent's view /objection: Exemption of Railway Traction category from Solar, Normal and Peak hour Tariff (ToD Rebate/Surcharge)

TPNODL Reply: Regarding the above request of the consumer, Hon'ble Commission may decide suitably.

5. **Respondent's view/objection:** Hon'ble OERC is requested to advise DISCOMs suitably to ignore the MD rise/over shoot of both side RTSSs of same or other DISCOMs during their feed extension over RTSS where incoming supply fails due to OPTCL reasons.

TPNODL Reply: The submission of the railway in this regard is not acceptable. All the DISCOMs are operating in different geographical area & having different distribution license. The benefit of feed extension is being extended within the same DISCOM as per the terms of mutual agreement. But the same benefit cannot be extended across the DISCOM. Each DISCOM have different BSP even though single RST is in force across the state. Each DISCOM ARR also being individually approved. If railway would try to avail such benefit then each DISCOM's revenue would be affected. Hence proposal of railway in this regard may not be considered.

6. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred by the objector for further clarification.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory& Legal)

**C.C. to: Principal Chief Electrical Engineer, East Coast Railway, Rail Sadan,
Chandrasekharpur, Bhubaneswar, Odisha - 751017**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**
AND

IN THE MATTER OF: Sri A.K. Sahani, Electrical Inspector (Retd), B/L-108, VSS Nagar, Bhubaneswar-751007

.....**Objector**

Rejoinder to the objection filed by Sri A.K. Sahani against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27

1. Respondent's view/objection: The petitioner should honour different provisions of law

TPNODL Reply: TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the License of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order of Hon'ble Commission.

TPNODL is duty bound to abide by all the applicable rules and regulations and license conditions and tariff orders. Reply on the points raised by the objector on the ARR and Tariff application of the licensee are furnished hereunder:

a. Respondent's view/objection: No remunerative benefit was extended to any of the consumers

TPNODL Reply: License is duty bound to follow the provision of OERC (Distribution Supply Code, 2019) and other applicable rules and regulations and directives mentioned in the Tariff Orders.

b. Respondent's view/objection: Consumer having CD less than 110 KVA are not being extended with Demand Charges:

TPNODL Reply: Bill for the electricity consumption by any category of consumer is raised as per the applicable charges fixed by Hon'ble Commission in Tariff order. The licensee is extending all the provisions applicable for any category of the consumers in compliance to the Tariff order and other applicable directions of Hon'ble Commission.

c. Respondent's view/objection: Govt. ED should be paid by TPNODL as per Regulation -152(i) of Supply Code 2019.

The priority of adjustment is as per the provisions of regulation 152(i). The objector may kindly bring specific instances to the notice of licensee where deviation in ED collection has been noticed.

2. Respondent's view –Not taking adequate action for AT&C loss reduction.

TPNODL's reply: Overall AT&C loss is calculated taking into account total purchase unit sales unit and collection against sales. The Licensee has metered all inter division connection point which is necessary for calculation of divisional AT&C loss. Annual Audited report is regularly submitted to OERC at the time of truing up (Audited report for the FY 2024-25 has already been submitted). Therefore, contention of the Objector that projected AT&C loss is not correct, as all feeder, substations and consumer are not metered is not true.

Regarding cleaning of lines and substations, this is to clarify that after took over the license from NESCO Utility, the Licensee is taking all required steps to maintain lines and substations clean and up to the standard. However, the licensee's network comprises of seventy-nine thousand distribution transformers and the cleaning is a regular process, if left for 4-5 months will again lead to growth of vegetation. The Objector is requested to provide the details of the substation for taking necessary action if it belongs to the licensee.

3. Respondent's view -Adoption of KVAh billing

TPNODL's reply: That, the contention of the objector regarding adoption of KVAh billing is not true. Adoption of KVAh billing will help in maintaining the power factor and hence very much effective in maintaining system stability from technical point of view.

The objective of introduction of KVAh billing is to ensure reduction in losses, which occurs due to low power factor and for encouraging the consumers to maintain their power factor near to unity Power factor.

4. Respondent's view – MMFC/Demand Charges for Consumers with Contract Demand <110 KVA and Demand Charges for GP >70 KVA and HT industrial (M) Supply:

TPNODL's reply: The applicable demand charges for categories pointed out under HT supply are given hereunder:

Demand Charge (In Rs.)		
Category of Consumer	Voltage of Supply	Demand Charge (Rs./KVA)
Specified Public Purpose	HT	250
General Purpose >70<110KVA	HT	250
HT Industrial (Medium)	HT	150
Large Industrial	HT	250

TPNODL is raising consumer bills as per the provisions of Tariff order along with recording of KVA. If Ld Objector has noticed any such case of deviation, the same may please be brought to the notice of the licensee.

5. Respondent's view –Power on Hours Calculation Methodology

TPNODL Reply: The time required for system maintenance are unavoidable in nature and considering the same, Hon'ble Commission has stipulated allowable power interruption hours in a month as 60 Hrs. Power ON hour is determined in line with the provisions made by Hon'ble Commission.

6. Respondent's view –Non-extension of Tariff Benefit to Allied Agriculture Activities and Allied Agro Industrial Activities Category

TPNODL Reply: Contention of the objector is not correct. TPNODL is extending due category benefit of Allied Agriculture Activities and Allied Agro Industrial Activities Category to all eligible consumer. To substantiate our stand, the details of Allied Agriculture Activities and Allied Agro Industrial Activities Category consumers as on 30th September furnished in the following table:

Category of Consumer	HT	LT
Allied Agriculture Activities Category	84	5084
Allied Agro Industrial Activities Category	11	75

The objector is requested to bring the individual cases, if any, to the notice of the licensee for implementation of GRF/Ombudsman order

7. Respondent's view – Regulation 138 (e) i.e. power supply to LI points in the urban area.

TPNODL's reply: Classification of consumers has been made by Hon'ble Commission basing on their purpose of supply. The licensee categorizes the consumers strictly as per the provisions of Supply Code and raises bill to consumers as per the applicable tariff from time to time. However, the licensee has made a representation to OERC for consideration of case of LI consumer under urban area under "Irrigation Pumping and Agriculture" category, which is incorporated in draft regulation, 2025.

8. Respondent's view in point no- 8, 9, 10, 11, 12 & 13- High cross subsidy surcharge. OERC should take steps to reduce CS and CSS.

TPNODL's reply: The contention of the ld. Objector that due to high cross subsidy surcharge, the industries are not able to go for availing power supply through open access is not true. A comparative statement of the no. of consumers availing power through Open Access and the corresponding quantum over last six years given in the following table.

Particulars	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
No. of Consumers availing power supply through open access	13	16	18	14	13	15
Total units availed through Open access (in MU)	1333.89	1522.122	1549.136	1014.724	1269.838	1625.77

From the above table, it can be seen that the no. of consumers availing open access as well as the quantum of power availed through open access has increased year on year.

The Ld Objector may refer to para 156 of RST order FY 26. The computed cross subsidy surcharge for DISCOMs have been given in table -38. In view of the mandate of Electricity Act'2003 under section 42, the cross-subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table No-38 of RST order is reproduced hereunder:

Table – 38
Computed Surcharge for Open Access Consumer 1MW and above for FY 2025-26 (paise / unit)

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	231.40	186.40	161.40	356.40
Surcharge for HT Consumer	106.23	3.45	28.18	170.58

However, the approved charges for FY 26 as given under table 39 are done at 70% of the computed values. The table no. 28 is reproduced hereunder:

Table – 39
Leivable Cross Subsidy Surcharge, Wheeling Charge and Transmission Charge for Open Access Consumer(s) of 1MW and above for FY 2025-26

Name of the licensee	Cross Subsidy Surcharge (P/U)		Wheeling Charge P/U applicable to HT Consumers only	Transmission Charges for Open Access Customer (applicable for HT & EHT Consumers)
	EHT	HT		
TPCODL	161.98	74.36	102.55	The Open Access customer availing Open Access shall pay Rs.6120/MW-day (Rs.255/MWh) as transmission charges.
TPNODL	130.48	2.41	156.41	
TPWODL	112.98	19.73	104.51	
TPSODL	249.48	119.41	174.06	

9. Respondent's view –15 MVA load through non-dedicated 33 KV line

TPNODL Reply: Concern of ld. Objector has been in active consideration of Hon'ble Commission and that is why incorporated in draft Supply Code, 2025.

10. Respondent's view: Rebate to all Steel Industry having CD>1 MVA in 33 KV supply with or without CGP.

TPNODL's reply: Steel Industry having CGP are intentionally keeping less Contract demand as part of their demand are being met through CGP power. These consumers can easily attain the desired quantum of load factor. The very purpose of allowing rebate to steel industries will be deprived in case of Steel Industry having CGP will be allowed this rebate. So, respondent pray for continuance of last year order.

11. Respondent's view: Re-introduction of KWH billing

TPNODL's reply: After due deliberation Hon'ble Commission has introduced the KVAH billing, which would have been introduced much earlier. Objector's objection on this issue in previous year has been duly addressed by Hon'ble Commission in

para 86 of RST Order for 2023-24. KVAH billing was introduced to maintain power factor near to 100%, which is necessary for system stabilisation. Further, as present KWH to KVAH is near about 95%, KVAH billing will have a very little impact on billing. Therefore, KWH billing should not be re-introduced again.

12. Respondent's view: Reduction of load reduction period to 12 month in place of 36 month

TPNODL's reply: As a substantial amount is spent in providing power supply to a consumer, any reduction of load within a short span makes the scheme unviable. Further, the licensee makes its demand projection, considering the contracted load of its consumers basing on which its power purchase cost and tariff is decided. Therefore, revision of load within a short span will deprive the licensee of the anticipated cross subsidy in case of subsidizing consumers along with shortfall in recovering the distribution cost.

13. Respondent's view: Incentive to Closed unit

TPNODL's reply: As per present Regulation, arrear prior to two year are not eligible for any revision. Accordingly, for arrear of closed unit within two year are eligible for revision prior to such incentive.

14. Respondent's view: Subsidy in tariff to cold storage unit

TPNODL's reply: Applicable Tariff for cold storage is Allied Agro Industrial Category, which is a subsidised tariff. Applicable rate of energy charges for cold storage categorised under "Allied Agro Industrial Category" Rs. 3.00 and Rs 50 as demand charges in place of Rs. 5.85 and Rs 250 towards energy charges and demand charges respectively for other similar type of industries. So Hon'ble Commission should not allow any more subsidy in this tariff.

15. Respondent's view: Smart prepaid meter

TPNODL's reply: The contention of the objector that after installation of smart meter provisional bill served to the consumer is not correct. If Ld Objector has noticed any such case of deviation, the same may please be brought to the notice of the licensee.

16. Respondent's view: Refund of excess Security deposit as per OERC Order

TPNODL's reply: Many consumers considering their expansion program and consequent load enhancement are reluctant for refund of their excess security deposit. Therefore, instead of refunding excess security deposit to all eligible consumer, the licensee refunds the security deposit to the aspirant consumer only. However, interest

at the rate approved by the Commission is being paid to the consumer on their total balance in security deposit account.

17. Respondent's view: Monopolistic Attitude

TPNODL's reply: The contention of the objector that the licensee's attitude towards conducting business is monopolistic is totally false and baseless.

TPNODL conducts its business strictly as per prevailing ACT, Rules, Regulation and guidance Hon'ble Commission. The licensee is taking all steps to develop a customer centric environment. The steps taken by the licensee in its journey of transformation starting from 1.4.2021 have been elaborated in its application. In its endeavour to develop a reliable network with adoption of latest technologies, the licensee needs support and cooperation from all its stakeholders.

The Ld. Objector is requested to bring the individual cases to the notice of the licensee, if any deviation has been noticed, so that necessary steps can be taken by the licensee. If Ld Objector has noticed any such deviation, the same may please be brought to the notice of the licensee.

18. Respondent's view: Imposition of Transfer Augmentation Charges on small consumer.

TPNODL's reply: The licensee strictly following the direction and order of Hon'ble Commission. No new small and marginal connection is asked to deposit transfer augmentation charges. If Ld Objector has noticed any such deviation, the same may please be brought to the notice of the licensee

19. Respondent's view: Collection against Section 126 and 135 of Electricity Act

TPNODL's reply: TPNODL always provides details of collection against Section 126 and Section 135 of Electricity Act, 2003 to Hon'ble Commission in its performance review and also as and when asked by Hon'ble Commission.

20. Respondent's view: Applicability of Law of limitation in Revision of wrong bill

TPNODL's reply: TPNODL strictly following direction of Hon'ble Commission for revision of past period bills. In order to reduce Grievances of consumers regarding settlement of dues pertaining to pre-vesting period TPNODL has also proposed for revision of past period exceeding the limit of two-year limit specified by Hon'ble Commission. Further in our suggestion to Draft Code 2025, we have proposed to allow revision of past period bills more than two year.

21. Respondent's view: Undue challenge of order of Lower Forums in upper Court to harass genuine consumer.

TPNODL's reply: Allegation of Ld Objector that intentionally consumer are harassing by TPNODL is not correct. Order of Forums are challenged in higher Court only if found order of Forum is not as per prevailing Regulation or Act. Further percentage of orders challenged in higher Forum to Total order passed is very negligible and less than one percent. During 2024-25 out of total 623 orders of GRF and Ombudsman, 617 cases are implemented, which is more than 99% of total orders.

22. The justification behind other tariff rationalization measures have been elaborated in the application of the applicant.

23. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred by the objector for further clarification.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

**C.C. to: - Sri Akshay Kumar Sahani, B/L-108, VSS Nagar, Bhubaneswar-751007. M. N.
9437071622, E-mail ID: aks.kr.sahani@gmail.com**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**
AND

IN THE MATTER OF: Ramesh Ch. Satpathy, President, Upobhokta Mahasangha,
Bhubaneswar & Secretary, National Institute of Indian Labour,
Plot No-302(B), Beherasahi, Nayapalli, Bhubaneswar-751012.

.....**Respondent**

Rejoinder to the objection filed by Sri Ramesh Ch. Satpathy against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order of Hon'ble Commission. Para wise reply to the points raised by the respondent on the ARR application of the licensee are furnished hereunder.
2. **Respondents View/ suggestion: Detail expenditure on different approved CAPEX scheme**

TPNODL Reply: TPNODL has proposed capital investment for the FY 2021-26 aligned with multiple initiatives and schemes so as to reduce AT&C losses, improve system reliability and augment the network to support the continuous load growth. With this objective of ensuring reliable power supply and ensuring best customer services.

The year wise details of Capital Expenditure (as on Sep.-25) with respect to the approval of the Hon'ble are furnished below:

Capital Expenditures

CAPEX Already Approved		Amount Capitalized Till Sep-25	Amount where Work in Progress/Planned till sep'25
FY	Rs in Cr.	(Rs. in Crs)	(Rs. in Crs)
FY 21-22	258.78	258.78	0.00
FY 22-23	326.54	326.29	0.00
FY 23-24	433.10	410.08	23.02
FY 24-25	377.52	320.78	56.74
FY 25-26	382.57	42.70	339.87

3. Respondents View/ suggestion: Detail particulars of ODSSP Scheme and steps taken to rationalise the demand.

TPNODL Reply: Out of 98 nos charged PSS under ODSSP schemes, 15 Nos PSS are now operating with load between 40% to 85%. We are further exploring the feasibility for the load balancing between overloaded and under loaded PSS by installing the new 11 KV link lines and new feeders from under loaded PSS. This strategic approach aims to ensure a balanced and efficient distribution of load across our network, thereby improving overall reliability and performance.

4. Respondents View/ suggestion: Actual manpower in regular cadre of Executives, Non-executives functioning in TPNODL under different divisions.

TPNODL Reply: Actual manpower in regular cadre of executives is 841 and non-executives is 1403 (both technical and non-technical) functioning in TPNODL under different divisions.

5. Respondents View/ suggestion: Division wise list of scrap materials

TPNODL Reply: TPNODL submits that the details of scrap disposal/identified for disposal are already being intimated to the Hon'ble commission on a regular basis. However, the details of scrap sales have been furnished under format F-28 of the ARR Application FY 2026-27.

6. Respondents View/ suggestion: Compensation paid to the human being faced in the fatal accident:

TPNODL Reply: Electrical accident report is being submitted to the Hon'ble Commission on monthly basis, by 15th of every succeeding month in compliance of the Regulation 12 of the OERC (Compensation of Electrical Accident) Regulation, 2020. The

monthly compliance report consists of details of electrical accident occurring within our jurisdiction along with the corrective action taken. The licensee is disbursing compensation amounts in accordance with the OERC (Compensation of Electrical Accident) Regulation, 2020 and direction/orders issued by various forums like NHRC (National Human Rights Commission) and OHRC (Odisha Human Rights Commission) on case to case basis.

7. Respondents View/ suggestion: Amount Collected from workers for EPF & Pension:

TPNODL Reply: As such, TPNODL is following the provisions under OCS Pension Rule 1992 for sanction and disbursement of pension to the pensioners under its establishment. All Pensioners of TPNODL/ Erstwhile NESCO Utility are getting pension as per the provision laid down under such Rules and its amendments from time to time.

At present two types of employees are working under TPNODL i.e. Pensioners and Non-pensioners. EPF contribution of all non-pensionaries are being transferred to the RPFC since 1st April' 2021. Similarly, for all pensionaries, their EPF Contribution are being credited to the Provident Account maintained by NESCO EPF Trust. Investment position under different trust as on 31.03.2025 and 30.11.2025 is furnished in reply to ARR Queries raised by the Hon'ble Commission under finance point no.-31.

8. Respondents View/ suggestion: Details of Security Deposit received from consumers:

TPNODL Reply: Status of Security Deposit as on 31st March,2025 and as on 30th November,2025 furnished in the following table:

As at	Balance of Consumer Security Deposit
31 March 2025	955.28
30 November 2025	1096.56

9. Respondents View/ suggestion: Provision for notice and penalty on consumers

TPNODL Reply: This is to submit that the Licensee has not imposed any penalty on consumers without any notice.

10. List of consumers availed benefit under PM Surya Ghar Muft Bijli Yojana.

TPNODL Reply: The district wise count of consumers who have availed benefit under PM Surya Ghar Muft Bijli Yojana as on date is furnished below:

Name of District	No. of Consumer
Baleshwar	2201
Bhadrak	803
Jajapur	1017
Kendujhar	739

Mayurbhanj	1636
Grand Total	6396

11. List of consumers availed benefit under PM Surya Ghar Muft Bijli Yojana through Community Solar Scheme.

TPNODL Reply: Government of India has not yet issued any guidelines under PM Surya Ghar Muft Bijli Yojana for Community Solar Scheme.

12. Respondents View/ suggestion: Status of Smart Meters Installation.

TPNODL Reply: Total 4,44,769 nos of Smart Meters installed as on on 31.12.2025. Out of total 31,565 Government consumers, Licensee has installed 6,195 numbers of smart meters with pre-paid feature.

13. Respondents View/ suggestion: Status of metering.

TPNODL Reply: Total consumer base of TPNODL as on 31.12.2025 is 20,43,884 out which 20,42,139 consumers are metered (99.914% are metered).

Further, As of January 1, 2025, there are 1745 nos of consumers are without meters. The majority of the cases are premise-locked and very resistant customer refusal cases. Suitable action as per the Supply code has been initiated against such cases.

14. Respondents View/ Suggestion: Consumers availing power through govt. funded meter.

TPNODL Reply: Consumers availing power supply through govt. funded meter is 402384.

15. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred by the objector for further clarification.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

C.C. to: - Sri Ramesh Ch. Satpathy, Plot No-302(B), Beherasahi, Nayapalli, Bhubaneswar-751012.

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
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BHUBANESWAR**

Case No. 124 /2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**
AND

IN THE MATTER OF: Sri Manoranjan Routray, S/O- Sri Khetra Mohan Routray, Trinath Temple Street, PS-/PO/Dist-Koraput-764020.

.....**Objector**

Rejoinder to the objection filed by Sri Manoranjan Routray against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order of Hon'ble Commission. Para wise reply to the points raised by the respondent on the ARR application of the licensee are furnished hereunder:
2. **Respondent's view/objection:** The present proposed ARR of all the Licensee appears higher expenditure in employees' cost, Repair and Maintenance cost and A&G, expenditure.

TPNODL Reply: Licensee has prepared the ARR as per the provision of OERC (Terms and Condition for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022, therefore all the projection has been estimated in the ARR as per the norms and provisions of the said regulation.

Detailed Justification against proposed expenditures for ensuing year towards employee cost, R&M cost and A&G cost are also furnished in the ARR & Tariff Application.

Further, all the audited financial reports of licensee are also furnished to Hon'ble Commission periodically for its prudent check.

3. Respondent's view/objection: The present rate of interest on fixed deposits around 6% but the consumer is charged 18% during corona period for non-payment of bills.

TPNODL Reply: Licensee has never claimed any charge from consumers beyond approval of the Hon'ble Commission for non-payment of monthly bills. Further, this is to bring into the kind information of the Ld. Objector that currently there is no Delayed Payment Surcharge applicable to LT Domestic, LT GP. Currently, for all other consumers applicable DPS is 1.25%. The main objective behind DSP is not to earn profit rather it acts as deterrent for defaulting consumers.

4. Respondent's view/objection: DISCOMs are disconnecting power supply without proper notice.

TPNODL Reply: Licensee always serve proper notice to consumers as per provision of prevailing OERC Supply code-2019 before disconnection of supply for non-payment of electricity bills. However, objector is requested to bring the individual cases to the notice of the licensee for further clarification

5. Respondent's view/objection: DISCOMs must give details financial benefits derived from the Capex plan on account of loss reduction and it's on tariff.

TPNODL Reply: The detailed capex plan along with Detailed Project Report are furnished before the Hon'ble Commission each year as per provision of Vesting Order of licensee and OERC (Terms and Condition for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022. Accordingly, Hon'ble Commission hears it in Public Hearing and issues the order by way of analyzing the inputs from all stakeholders.

The AT&C loss has been reduced from 25.17% in FY 21 to 12.64 % as on FY 25 and the power supply hours have been 23:11 hrs in average during FY 2024-25, the corresponding extra billing and collection are the derived impact of the capital investments done so far. There is no hike in Retail supply tariff in last four years despite of significant increase in Bulk Supply tariff.

6. Respondent's view/objection: The company has proposed exuberant rise in A&G expenses which need to be scrutinised.

TPNODL Reply: Licensee has prepared the ARR as per the provision of OERC (Terms and Condition for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation,

2022, therefore all the projection has been estimated in the ARR as per the norms and provision of the said regulation.

Further, all the audited financial reports of licensee are also furnished to Hon'ble Commission periodically for its prudent check. For detailed justification against projection of A&G expenses, Ld. Objector may kindly refer the chapter 2.7 of ARR & Tariff Application 2026-27.

7. Respondent's view/objection: The interest on security deposit may be increased to 7% as is too low and company is enjoying 7.5% interest on SD laying with company.

TPNODL Reply: The interest on security deposit is allowed by Hon'ble Commission under the provision of OERC Distribution (Conditions of Supply) Code, 2019 vide clause 57(i), the licensee/supplier shall pay interest on SD to the Consumer at the bank rate. Accordingly, while approving ARR of the licensees, the Commission is revising the interest on SD periodically.

8. Respondent's view/objection: The company has planned to install smart meter why the poor consumers of Odisha will bear the capital cost or meter rent. The cost must be bear by the Govt. or Discoms.

TPNODL Reply: All Four Discoms of Odisha had proposed the proposal for Installation of Smart Meter under CAPEX and Abolition of Meter Rent. Further, Hon'ble Commission under para 99 (2) vide Retail Supply Tariff Order dated 24.03.2025 pronounced direction regarding installation of Smart Meters, the relevant extract is reproduced hereunder:

.....
In order to reduce the tariff burden on the consumers due to proposed CAPEX Plan of DISCOMs for smart metering, the State Government intends to provide capital subsidy/grant to the DISCOMs, in a phased manner for consumers with CD up to and including 2 kW towards installation of smart meters. Meter rent from such consumers (with CD up to 2 kW) may not be recovered to encourage speedy implementation of smart metering in the state.
.....

In compliance to the direction of the Hon'ble, Licensee has stopped recovering meter rent against installation of smart meters for consumers up to 2 kW Contract Demands with effect from 1st April' 2025.

9. Respondent's view/objection: The true up expenses of past year must as per actual and as per regulation and income tax and tax on equity.

TPNODL Reply: As per provision of Regulation 2.6.6 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022, licensee files combined application every year for approval of Truing up of previous year; Annual Performance Review (APR) (considering actual performance of first 6 months and projection for next / subsequent 6 months of the year) for current year, Annual Revenue Requirement (ARR) for determination of tariff for ensuing financial year. Licensee also submits before Hon'ble Commission the annual audited financial statement along with Truing up application for prudence checks.

The tax on return on equity (RoE) @ 25% is a standard in the sector and ensures financial viability. Further most of the State Regulators across the country has specified Return on equity for Distribution companies @ 16%. State like Andhra Pradesh, Assam, Chhattisgarh, Punjab, Rajasthan, West Bengal etc. having existing RoE @ 16%. Further, Over Drawl Penalty, Supervision charges DPS etc. are part of the Non-Tariff incomes, same are being treated as per provisions of the OERC Tariff Regulation-2022.

Further, this is to mentioned here that the AT&C loss has been reduced from 25.17% in FY 21 to 12.64 % as on FY 25 and the power supply hours have been 23:11 hrs in average during FY 2024-25, the corresponding extra billing and collection are the derived impact of effective utilization of O&M expenses and capital investments done so far. There is no hike in Retail supply tariff in last four years despite of significant increase in Bulk Supply tariff

10. Respondent's view/objection: Non-tariff income such as rebate to the consumer, supervision charges, over drawl penalty & DPS should be passed on the consumer in full instead of 1/3rd proposed by all Discoms.

TPNODL Reply: This is to bring into kind information of the Ld objector that supervision charges, over drawl penalty & DPS are part of the non-tariff income.

Further, as per regulation 5.9 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022, the amount of Non-Tariff Income relating to the Retail Supply of electricity as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in calculating the tariff for retail supply of electricity of the Distribution Licensee. Therefore, treatment of Non-tariff income is being done as per the provision of OERC Tariff Regulation-2022..

11. Respondent's view/objection: Levy of DPS to domestic and GP consumers as proposed by all the Discoms.

TPNODL Reply: The respondent License has provided the detailed justification under para 9.2 of the ARR & Tariff application towards approval for Levy of DPS to domestic and GP consumers. Hon'ble Commission may suitably decide the matter.

12. Respondent's view –Revision of reconnection charges

TPNODL Reply: The presently applicable reconnection charges have been fixed back in 2012. Therefore, there is a requirement to revise the reconnection charges as proposed by the licensee.

13. The justification behind other tariff rationalization measures have been elaborated in the application of the applicant.

14. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2025-26 have been placed in TPNODL website www.tpnodl.com, which may please be referred by the objector for further clarification.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

Cc. to: Sri Manoranjan Routray, S/O- Sri Khetra Mohan Routray, Trinath Temple Street, PS-/PO/Dist-Koraput-764020, Email: callmanoranjan@gmail.com

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**
AND

IN THE MATTER OF: M/s. Power Tech Consultants, Corporate Office at K-8-82, Kalinganagar, Ghatikia, Bhubaneswar-751029, pwrtech@gmail.com, Phone-9437155337

.....**Respondent**

Rejoinder to the objection filed by M/s. Power Tech Consultants on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2026-27 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .

Reply to the points raised by the Ld. Objector are furnished hereunder.

2. Respondent's view /suggestion: Employee Expenses

TPNODL Reply: The licensee has estimated the employee expenses for the ensuing financial year basing on the actual employee cost for the first six months of the current financial year.

The employee expenses for the ensuing financial year have been estimated considering the impact of minimum wage revisions by around 20% to 28% under various categories of unskilled to Highly skilled, with effect from 18.7.2024.

The various factors considered for estimating the employee cost have been elaborated in the application of the licensee.

The details of manpower position alongwith year wise recruitment and retirement/attritions have been furnished before Hon'ble Commission for kind perusal.

3. **Respondent's view /suggestion: Hon'ble Commission may conduct a prudence check regarding A&G cost for each year. We submit that the Hon'ble Commission may allow a 7% increase in the earlier approved A&G Expenses for FY 2026-27 or actual A&G Expenses or which ever is lower.**

TPNODL Reply: The details of the A&G expenses incurred and the justification against the estimated cost components have been elaborated in the application of the licensee. The revision in minimum wages with effect from 18.7.24 has impacted the Metering, Billing and collection expenses by around 25% which constitutes a major component of A&G expenses. The above factor along with the normal escalations have been considered while estimating the A&G expenses for the ensuing financial year.

4. **Respondent's view /suggestion: Depreciation should not be allowed to be recovered on assets created out of Govt. grants irrespective of whether the corresponding grant is transferred to the distribution licensee or not. The depreciation cost proposed by TPNODL for FY 2025-26.**

TPNODL Reply: Section 3.8 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations,2022 stipulates the method of calculation of depreciation. In line with the provisions of the regulation, the depreciation calculation has been done and the details have been submitted in the application of the licensee which may please be referred.

5. **Respondent's view /suggestion: That TPNODL has projected Repair and Maintenance Expenses at Rs.318 Crs for FY 27 against Rs.252.66Crs as approved by Commission to be spent during FY 25-26 ...**

TPNODL Reply: : In response to the contention made by the Ld. Objector against the R&M expenses of the licensee, it is to clarify that the expenses towards Uniform for Business Associates, Enforcement, dehooking have not been considered under R&M .

The licensee has furnished projection of opening Gross Fixed Asset considering the assets transferred from various schemes, the assets capitalised as per the norms fixed by Hon'ble Commission in the Tariff Regulation. Detailed break-up of the assets along with the projected expenses have been furnished with justification against each projection has been submitted in the application of the licensee.

6. **Respondent's view /suggestion: Revenue Requirement**

TPNODL Reply: The licensee has projected the Revenue Requirement of Rs. 4956.46 Crs. projecting each of cost component observing the norms fixed by Hon'ble Commission in

the Tariff Regulation, detailed break-up and justification of each has been furnished in the ARR application of the licensee.

7. **Respondent's view /suggestion:** Industrial Tariff for EHT Consumers-Although EHT loads are contributing significantly to overall reduction of AT&C losses and stability of GRID, the tariff for EHT loads are increasing year over year.

TPNODL Reply: Hon'ble Commission introduced kVAh based billing in the Tariff order for the financial year FY 2021-22 which became effective from 4.4.2021. Hon'ble Commission introduced KVAh billing as it is having the inherent mechanism to incentivize /penalize the consumers according to their power factor. The prime objective of Hon'ble Commission for introduction of kVAh billing was to encourage the consumers to maintain near unity power factor, to achieve loss reduction, improve system stability, power quality and improve voltage profile. **There has been no increase in the tariff applicable for HT/EHT consumers since 2021-22.**

The licensee has also proposed a number of rationalisation measures for EHT/HT industrial consumers in its ARR application from year to year.

8. **Respondent's view /suggestion:** Distribution loss – DISCOMs have themselves admitted that the distribution loss at 33KV and 11KV has been reduced to 3.5% to 4.5%. Hence, Hon'ble OERC should consider normative HT loss at 3%.

TPNODL Reply: TPNODL has achieved 100% metering coverage at key points of the distribution network, like all 33 kV feeders, 250 incomer feeders at 33 kV Primary Substations (PSS) and all 11KV feeders.

TPNODL also aims to identify losses at the 11 kV feeder level by comparing feeder input energy with the aggregated energy measured through DT meters. Accurate computation of 11 kV losses requires DT metering at all transformers connected to the feeder. TPNODL has already installed DT meters for transformers of 100 kVA and above, and the installation of meters for 63 kVA DTs is currently in progress.

As complete DT metering is yet to be achieved, precise computation of 11 kV feeder losses based on metered data is presently not feasible.

In view of the above, TPNODL respectfully submits that the Hon'ble Commission may continue to consider the normative HT loss of 8% for tariff and regulatory purposes.

9. **Respondent's view /suggestion: Need for consumer category Provision for Mega steel Plant**

TPNODL Reply: As suggested by the Ld objector, incentive cannot be offered on more than 20% load factor, as the very motive of load factor incentive is to encourage higher drawl from the licensee, so that optimum utilisation of the corridor reserved for the required quantum can be done and at the same time revenue as projected by the licensee can be met.

Further, all the industrial consumers drawing power at EHT level are allowed a rebate of 20 paise per unit (KVAh) for all units consumed in excess of 80% load factor.

10. Respondent's view /suggestion: Proposal for load factor Rebate

TPNODL Reply: In ARR application for FY 2026-27, in Tariff rationalisation measures para-9.4 suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

11. Respondent's view /suggestion: Open Access and Other Related Issues

- (i) No CSS during major breakdown
- (ii) DISCOM should not mandate an annual tentative drawl plan
- (iii) Open Access should not be limited to Contract Demand
- (iv) CSS to be limited within 20% of the applicable tariff

TPNODL Reply: In response to the contentions made by the Ld. objector, the following points are placed –

- (i) The open access consumers embedded in the distribution system will not be able to avail power supply through open access also, as the power evacuating corridor will be under breakdown. Only the open access consumer who is availing power supply through a dedicated line from its own CGP can avail power during major breakdown of the network of distribution licensee, however, such cases are not entitled for levy of CSS.
- (ii) DISCOM is mandated under Licence condition and also under OERC (Framework for Resource Adequacy) Regulation, 2024 to prepare and submit short term, medium term and Long-Term load forecasting which plays the most crucial role in planning power procurement and system network adequacy as well. As the open access consumer is an embedded consumer of the distribution licensee, the annual drawl plan of the consumer is an inseparable part of the licensee's drawl plan and hence cannot be dispensed with.
- (iii) In case of an open access consumer drawing open access power through the common network of the distribution licensee, the network loading and adequacy is accessed and planned majorly based on the contract demand of the connected consumers as it indicates its reserved entitlement irrespective of its drawl.
- (iv) As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within +20% of the ACoS. If table no. 36 of the RST Order FY 25-26

will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within +20% of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

The computed cross subsidy surcharge for DISCOMs have been given in table -38 of para 156 of RST order FY 26. In view of the mandate of Electricity Act'2003 under section 42, the cross-subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-38 of RST order is reproduced hereunder:

Table – 38
Computed Surcharge for Open Access for Consumer 1MW and above for FY 2025-26 (paise / unit)

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	231.40	186.40	161.40	356.40
Surcharge for HT Consumer	106.23	3.45	28.18	170.58

However, the approved charges for FY 26 as given under table 39 are done at 70% of the computed values. The table no. 39 is reproduced hereunder:

Table – 39
Leivable Cross Subsidy Surcharge, Wheeling Charge and Transmission Charge for Open Access Consumer(s) of 1MW and above for FY2025-26

Name of the licensee	Cross Subsidy Surcharge (P/U)		Wheeling Charge P/U applicable to HT Consumers only	Transmission Charges for Open Access Customer (applicable for HT & EHT Consumers)
	EHT	HT		
TPCODL	161.98	74.36	102.55	The Open Access customer availing Open Access shall pay Rs.6120/MW-day (Rs.255/MWh) as transmission charges.
TPNODL	130.48	2.41	156.41	
TPWODL	112.98	19.73	104.51	
TPSODL	249.48	119.41	174.06	

12. Respondent's view /suggestion: Re-introduction of Delayed Payment Surcharge

TPNODL Reply: The observation of Hon'ble Commission for with drawl of this DPS provision was the levy of DPS will act as a hurdle for small consumers in resolving their billing dispute and the revenue impact is also not substantial.

However, it will be pertinent to mention here that the DPS provision will persuade the small consumers to pay in time. It will instil the culture of payment within due date in them. The aim of the licensee is not to levy DPS to those small consumers, but to regulate

their payment habit with imposition of a deterrent. Without any deterrent, there is no binding on such consumers to pay the electricity bill in time.

- 13. Respondent's view /suggestion:** DISCOM should present a detailed sales estimate for each consumer classification to Hon'ble OERC for approval. DISCOM has only provided voltage -wise sales which violates Regulation 5.3.4 of OERC Wheeling &RST Regulations, 2022.

TPNODL Reply: The learned objector is requested to refer to the details given in Tariff Format T-1, wherein the voltage wise, category wise -number of consumers, consumption and load for the previous financial year, for first six months of the current financial year and the projection for the ensuing financial year has been furnished alongwith the corresponding loss levels and the total power input requirement.

Under T2 and T3, for domestic and commercial category of consumers, load wise slab wise actual consumption for the previous financial year and first six months of the current financial years are furnished. Under T5, load-wise consumption details of Irrigation & Agricultural Consumers, Allied Agricultural Activities & Allied Agro-Industrial Activities consumers have been furnished.

Under T9, month-wise consumption of EHT /HT consumers with load more than 1MVA has been furnished in addition to that details upto January also submitted before Hon'ble Commission.

Under performance format P8, month-wise details of Maximum demand individual consumer-wise for consumers with load more than 110KVA have been furnished.

Under, Performance Format P9, consumer-wise month wise consumption details for load more than 110KVA have been furnished for the previous financial year as well as for the first six months of the current financial year. Consumer wise details as required under the ARR Tariff as well as Performance formats is possible only because the licensee maintains robust database of all consumers with desired particulars in adherence to the provisions of Regulation 5.3.4 of OERC Tariff Regulation,2022.

The contention of the Ld. Objector that the DISCOM has failed to adhere to the requirement is not correct.

- 14. Respondent's view /suggestion:** In 2019-20, when distribution licensee were not privatised, the distribution losses were 23.12%(TPCODL), 13.19%(TPNODL), 18.73%(TPWODL) and 23.07%(TPSODL). However, after spending huge CAPEX and OPEX, the distribution loss of Tata Power DISCOMs is not able to match the level of earlier utilities.

TPNODL Reply: In response to the point raised by the Ld. Objector, it is pertinent to mention here that, after taking over the distribution business, **1,64,285** numbers of untraceable consumers were taken out from the active directory of billing database, on physical site verification, whose billing was continuing for years without any actual whereabouts of those consumers. Further, it will not be out of place to mention here that, by March,2025, the provisional billing and average billing percentage have been brought down to less than 1%. The licensee has also implemented OCR based meter reading technology, wherein by the help of Integrated Mobile application, the meter reading is auto scanned to eliminate reading errors /table readings. The T&D loss level in TPNODL jurisdiction is 12.46% in FY 24-25.

Vesting order of the utility was issued by Hon'ble Commission after hearing the parties namely NESCO Utility, TPCL, GRIDCO, OPTCL and Government of Odisha. Government of Odisha is the elected representation of the peoples of the State and hence the representation of interest of the peoples of the state has already been taken into consideration. On receiving request from NESCO Power Engineers Association for implement also, Hon'ble Commission allowed the intervener to take part in the proceeding. None other parties has prayed before Hon'ble Commission for implement in the matter at that time. The Vesting order was pronounced on 25.03.21 in Case No-9/2021. However, no review petition was filed before Hon'ble Commission on any of its provisions neither it was challenged and hence it has attended its finality.

In the Vesting order of TPNODL, Hon'ble Commission has fixed AT&C loss reduction trajectory to reduce the AT&C loss from 25.17% to 9.5% in first ten years of operation, that is reduction target of 15.67%.

In first five years of operation, the licensee has been able to reduce the AT&C loss upto 12.64% that is by 12.53% which the Ld. Objector can compare with any period of operation of the DISCOM in the span of last two decades.

Further, this will not be out of place to mention here that, TPNODL has been ranked 9th Best DISCOM in the 14th Annual Integrated Rating & Ranking by Ministry of Power.

Therefore, the contention of the objector for reviewing the Vesting order is devoid of any merit and hence may be rejected.

- 15. Respondent's view /suggestion:** Net Metering, Gross-Net Metering and other schemes related issues-MSME and commercial consumers may be permitted to install solar and other renewable projects under Net metering and GNM models through ESCO route.

TPNODL Reply: The suggestion of the Ld. Objector does not pertain to the ARR application of the licensee.

16. Respondent's view /suggestion: Rebate related issue

TPNODL Reply:

- (i) In the FY 2024-25 in average 428156 numbers of consumers per month have availed 4% digital rebate
- (ii) The detail of consumer availing e-bill facility in the FY 2024-25 & FY 2025-26 is furnished in below table:

No. of Consumers Availing e-bill Facility in the FY 2024-25 & FY 2025-26	
Year	Nos of Consumer
FY 2024-25	2148
FY 2025-26 upto Dec-25	13016

- (iii) In ARR application for FY 2026-27, in Tariff rationalisation measures para-9.17 suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

17. Respondent's view /suggestion: Summary of Interim Proposal approved vide order dated 22.07.2025-

- (i) The details of consumers availed power supply under the scheme to be submitted by DISCOMs
- (ii) Special tariff of Rs.4.30per kVAh should be extended to all types of industries, with or without CGP, without any condition of assured consumption or linkage to load factor

TPNODL Reply:

- (i) As correctly cited by the Ld. Objector, Hon'ble Commission had directed GRIDCO/DISCOMs to submit an efficacy report after two months, based on which Hon'ble Commission may revisit the scheme. If the Ld. objector will refer to the interim direction given by Hon'ble Commission in the matter on 14.10.2025 after hearing the matter, Hon'ble Commission had directed GRIDCO/DISCOMs to furnish detailed report and the licensee has submitted before Hon'ble Commission month wise consumer wise details.
- (ii) The Ld. Objector will agree that there is a methodology in which the tariff applicable for a particular category is decided. Hon'ble Commission decides the tariff applicable examining all aspects.

18. Respondent's view /suggestion: Additional Load factor Incentive

TPNODL Reply: In ARR application for FY 2026-27, in Tariff rationalisation measures para-9.4 suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

19. Respondent's view /suggestion: ToD Benefit & Surcharge

TPNODL Reply: ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kw and with smart meters except consumer under Agriculture tariff. The eligible consumers will get a ToD rebate @20Paise per unit for energy consumed during solar hours and a surcharge of 30 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak to no-peak/solar hours To encourage balancing of drawl, the licensee has proposed to increase ToD surcharge which will dissuade the consumers from drawing in peak hours.

20. Respondent's view /suggestion: Revision of Reconnection charges with penalty clause.

TPNODL Reply: TPNODL has taken number of measures to bring in cutting edge technology and micro SCADA already implemented. The licensee has installed smart meters in around fifty thousand consumers, but yet to operate them in pre-paid mode with auto disconnection facility.

It will take substantial time to reach the stage of doing remote disconnection to all the consumers. This reconnection charge also acts as a deterrent in the process, along with covering the man hour and other ancillary charges for physical reconnection of power supply.

21. Respondent's view /suggestion: Special Tariff for reopening and starting industries

TPNODL Reply: The Licensee has already proposed the special rebate for closed unit who want to reopen their unit in ARR application submission for FY 2025-26 after a detail analysis and thorough study. The Hon'ble Commission in its RST order for FY 2025-26 given its direction in para-134, the licensee is following the order given by the Hon'ble Commission.

22. Respondent's view /suggestion: Contract Demand related issues

TPNODL Reply:

- (i) It is pertinent to mention here that the entire operating cost of DISCOMs such as R&M, A&G, employee cost, depreciation, financing cost, ROE are almost fixed in nature. In ideal scenario, fixed cost of Distribution Company should be recovered through demand charges/monthly minimum fixed charges levied based on sanctioned load/contract demand or maximum demand of the consumer whichever is higher. In the current tariff structure the DISCOMs are recovering hardly within 10% of their

total fixed cost through fixed charges, whereas in other states these percentiles is between 15-20%. **Hence, any reduction in demand charge will adversely affect the revenue structure.**

- (ii) The licence is following the regulation strictly. In ARR application for FY 2026-27, in Tariff rationalisation measures suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.
- 23. Respondent's view /suggestion:** Allocation of Green Power to industries having CGP through GTP mechanism

TPNODL Reply: In ARR application submission of FY 2026-27, in Para no.-9.7 of Tariff rationalisation measures suggestion have been well elaborated with justifications in the application of the licensee which may please be referred.

- 24. Respondent's view /suggestion:** Green Tariff for Sale of Renewable Power through DISCOMS

TPNODL Reply: TPNODL has proposed in our ARR application 2026-27 to the Hon'ble Commission may determine a separate Green Tariff applicable for renewable-energy sales under this scheme as per clause 3 (c) of Regulation 5 (chapter 1 of the OERC (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023. The tariff shall be cost-reflective and an appropriate component for RCO compliance. No Cross-Subsidy surcharge shall be applicable on such transactions.

- 25. Respondent's view /suggestion:** Bill Revision issue

TPNODL Reply:

- (i) TPNODL is strictly following the regulations-155 & 157 prescribed in the Supply code 2019 for bill revisions. However, to address the consumer's concern, TPNODL has requested the Hon'ble Commission to permit/allow the downward bill revision beyond 2 years.
- (ii) As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within $\pm 20\%$ of the ACoS. If table no. 25 of the RST Order FY 24-25 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within $\pm 20\%$ of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

- 26. Respondent's view /suggestion:** Installation of Smart Meter and abolition of Meter Rent

TPNODL Reply:- Hon'ble Commission under para 99 (2) vide Retail Supply Tariff Order dated 24.03.,2025 pronounced direction regarding installation of Smart Meters, the relevant extract is reproduced hereunder:

In order to reduce the tariff burden on the consumers due to proposed CAPEX Plan of DISCOMs for smart metering, the State Government intends to provide capital subsidy/grant to the DISCOMs, in a phased manner for consumers with CD up to and including 2 kW towards installation of smart meters. Meter rent from such consumers (with CD up to 2 kW) may not be recovered to encourage speedy implementation of smart metering in the state.

In compliance to the direction of the Hon'ble, Licensee has stopped recovering meter rent against installation of smart meters for consumers up to 2 kW Contract Demands with effect from 1st April' 2025.

- 27. Respondent's view /suggestion:** Amnesty scheme for clearance of Arrears of Pre-Vesting period.

TPNODL Reply:- The Respondent Discom would like to submit before the Hon'ble Commission that the Petitioner along with the Discoms have already submitted the application for approval of the AAC scheme on 02.01.2026 for kind consideration and approval of the Commission.

- 28. Respondent's view /suggestion:** Providing Connection to Green Hydrogen Projects under separate metering arrangement

TPNODL Reply: In view of Govt. of Odisha target to achieve green hydrogen production target by 2030, this is to bring into the kind information of the Hon'ble Commission that more industries will be setting up the Green Hydrogen Production facility in the state. Further, to provide the smooth connectivity approval, separate metering arrangement etc. under the preview of applicable regulations by Distribution Licensee to intended industries seeking for setting up Green Hydrogen facility in the State of Odisha, Discoms humbly prays before Hon'ble Commission to issue necessary direction and frame a procedural guideline in this regard.

- 29. Respondent's view /suggestion: Re-structuring of ToD based RST**

TPNODL Reply: With regards to the Ld. Objector proposal for ToD based RST, this is to submit that with present Retail Supply tariff, approximately 2000 MUs (1028 MU upto Sep-25) is expected to be drawn by EHT/HT consumers through Open Access during FY 2025-26. Further, it has been noticed that drawl through OA mechanism is in increasing trends (i.e. 1270 MU in FY 23-24, 1626 MU in FY 24-25 and appx. 2000 MU in FY 25-26

which is adversely affecting the sales and sales mix as well. With any further increase in energy charges to the proposed Rs. 6.20 per kVAh, it is apprehended that major chunk of EHT sales may opt out for Open Access.

30. Respondent's view /suggestion: Charging of leading power factor while billing to EHT Consumers i.e. (Lead+Lag) kVAh Billing

TPNODL Reply: In our ARR application submission under Point no.-9.8 of Tariff rationalisation measures suggested have been well elaborated with justifications in the application of the licensee which may please be referred.

31. Respondent's view /suggestion: Security Deposit related issue

TPNODL Reply:

- (i) The relevant extract on payment of SD from regulation 52(iv) of OERC Distribution (Condition of Supply) code, 2019 is provided hereunder:

"The security deposit shall be paid in cash or by bank draft or by electronic/digital payment. It may also be paid by cheque or by credit card, where specifically allowed by the licensee/supplier".

Further, regulation provides for interest on the security deposit also. The above provision makes the required amount available with the licensee, which can be utilised without any additional time involvement, in case it will be required to adjust the security deposit. This ensures payment security to the licensee. This matter has already been addressed by Hon'ble Commission in previous Tariff proceedings.

- (ii) The provision of delayed payment surcharge is not to enrich the licensee by 7%-8%, but the ensure payment security to the licensee. The very aim of the provision is to develop the culture of payment within the stipulated time among the consumers. Because of this provision, the consumer will be persuaded to make payment within the stipulated time. Therefore, the apprehension of the Ld Objector regarding enriching the licensee by this extra amount is baseless.

The proposal of the objector of paying interest on additional SD, even without receiving SD physically is totally not tenable. Interest has been allowed by Hon'ble Commission as the money is retained by the licensee to ensure the payment security. Interest can never be allowed to consumer before receiving SD physically.

- (iii) The Supervision charges is collected from the consumer as per Regulation-27 & 29 and estimate of capital cost is calculated as per the Appendix-1 of the Supply code-2019.

32. Respondent's view /suggestion: Action taken report furnished by licensee.

TPNODL Reply:

- (i) The status of PM Surya Ghar Scheme, Kusum-A & Kusum-C till Sept-25 is furnished below.

Following is the status of PM Surya Ghar Scheme under TPNODL as on 30.09.2025:

Sr. No.	Particulars	UoM	Quantity
1.	Total no. installation	Nos	2504
2.	Total Capacity	MW	7.90
3.	Total Energy Generated	MU	3.62

- (A) **Progress under PM KUSUM-A:** Under PM KUSUM -A , PPA executed for four no. of projects with allotted capacity 2MW each. Out of the above, 11KV line work is under execution in the project under RED, Rairangpur. LOA has been issued for another four numbers of projects under AED, Anandpur, KuED, Kuakhia, BED, Balasore and RED, Rairangpur.
- (B) **Progress under PM KUSUM-C:** PPA executed for three numbers of projects under JOED, Joda, JED, Jaleswar and KUED, Kuakhia for a total capacity of 2.69MW as on September ,2025.
- (ii) TPNODL has submitted the nominated SAC member for five district under its licensed jurisdiction to the Hon'ble Commission.

33. Respondent's view /suggestion: Other issue

TPNODL Reply:

- (i) Allegation of the Objector regarding increase in power outage during TATA Power tenure is also not correct. Rather power outage during TATA Power tenure is reduced substantially and also decreasing year by year. The power supply hours have been 23:11 hrs in average during 2024-25. This can be observed from the SAIDI (System Average Interruption Duration Index) and SAIFI (System Average Interruption Frequency Index) are given in below table.

FY	SAIDI (Hrs)	SAIFI (Nos)
2021-22	455.51	680
2022-23	378.39	621

2023-24	348.95	576
2024-25	324.31	526

- (ii) The Licensee is adhere with rules and regulation of The act. The licensee will comply to every guideline that will be issued by Hon'ble Commission. Therefore allegation of Ld. Objector that Discoms are invoking Section 126 of the Act to book consumer and disconnections without the issuance of provisional assessments is not correct. If such instant has taken place Ld. Objector can bring to the Discoms notice.
- (iii) The Hon'ble Commission may give the necessary direction for course of hearing in GRF and Ombudsman be conducted in Hybrid Mode and regularisation of Contractual staff in Hon'ble OERC office and Ombudsman office. The Licensee will adhere with direction of the Hon'ble Commission.
- (iv) Licensee never allows any telecom company to lying their cables through the electric poles unauthorizedly which creates un safe conditions. Any rental income generated from the telecom company is accounted properly as per the OERC tariff regulation 2022.
- (v) As per section 135 of the Companies Act, 2013, it is mandatory for the companies to comply with the CSR provisions and are required to spend a minimum of 2% of their net profit over the preceding three years as CSR. Board of TPNODL has formed a CSR Committee which is empowered to direct and approve areas where CSR budget can be spent in order to maximise the benefit to society in Odisha. Need assessment through a structured process, being done to identify the areas of importance and the same is placed before the CSR committee for their perusal and approval. This ensures the channelizing the benefit to the section of society which need CSR. All the CSR expenditure are being placed before the CSR committee meeting and being discussed at length and comparison also done against the approved budget. Impact assessment of the CSR expenditure society is also undertaken. Company has a robust system of procurement to pay process and thereby making every expenditure to undergo a maker and checker process. Also, Company has robust internal audit system being conducted by renowned firm to ensure the reasonableness and governance built around the process and all the expenditure are subjected to their audit scope. CSR expenditure shall not be charged to consumers in tariff and it shall be met out of profits of the Company.

34. Respondent's view /suggestion: CSS, Wheeling Charges and Open Access

TPNODL Reply:

- (i) There is an increasing trend in the consumers availing power through Open access. The number of consumer availing open access has increased from 13 in FY 2023-24 to 19 in H1 of FY 2025-26 .
- (ii) There is an increase of approximately 28% in total units availed through Open Access in FY 24-25 in comparision to FY 23-24. The open access quantum upto H1of FY 25-26 is 1028.2MU which is around 64% of the annual open access quantum of FY 24-25.
- (iii) In the below table, the details of the numbers of consumers availing open access yearwise alongwith the quantum of power availed through open acccess have been furnished.

Sl. No	Particulars	FY 2023-24			FY 2024-25			FY 2025-26 (Upto Sep'25)		
		EHT	HT	Total	EHT	HT	Total	EHT	HT	Total
1	No. of Consumers availing power supply through open access	13	0	13	15	0	15	18	1	19
2	Total units availed through Open access (in MU)	1269.8	0	1269.8	1625.8	0	1625.8	1028.1	0.1	1028.2
3	No. of Consumers liable to pay cross subsidy surcharge	10	0	10	11	0	11	14	1	15
4	Total units on which C.S. Surcharge claimed (in MU)	132.93	0	132.93	285.65	0	285.65	249.51	0.1	249.59

- (iv) The computed cross subsidy surcharge for DISCOMs have been given in table -38 of para 156 of RST order FY 26. In view of the mandate of Electricity Act'2003 under section 42, the cross-subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-38 of RST order is reproduced hereunder:

Table – 38
Computed Surcharge for Open Access for Consumer 1MW and above for FY 2025-26 (paise / unit)

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	231.40	186.40	161.40	356.40
Surcharge for HT Consumer	106.23	3.45	28.18	170.58

However, the approved charges for FY 26 as given under table 39 are done at 70% of the computed values. The table no. 39 is reproduced hereunder:

Table – 39

Leviable Cross Subsidy Surcharge, Wheeling Charge and Transmission Charge for Open Access Consumer(s) of 1MW and above for FY2025-26

Name of the licensee	Cross Subsidy Surcharge (P/U)		Wheeling Charge P/U applicable to HT Consumers only	Transmission Charges for Open Access Customer (applicable for HT & EHT Consumers)
	EHT	HT		
TPCODL	161.98	74.36	102.55	The Open Access customer availing Open Access shall pay Rs.6120/MW-day (Rs.255/MWh) as transmission charges.
TPNODL	130.48	2.41	156.41	
TPWODL	112.98	19.73	104.51	
TPSODL	249.48	119.41	174.06	

35. Respondent's view /suggestion: Wheeling Charges

TPNODL Reply: The Licensee has computed the Wheeling Charges considering the projected Distribution cost for the ensuring financial year and the total (projected) units to be wheeled through the distribution network. While approving the wheeling charges Hon'ble Commission considers the approved parameter

- 36.** The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

Cc to: M/s. Power Tech Consultants, Corporate Office at K-8-82, Kalinganagar, Ghatikia, Bhubaneswar-751029, pwrtech@gmail.com, Phone-9437155337

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj,
Odisha.**Applicant**

AND

IN THE MATTER OF: North Odisha Chamber of Commerce and Industry(NOCCI),
Ganeswarpur Industrial Estate, Januganj, Balsore-756019
.....**Respondent**

**Rejoinder to the objection filed by North Odisha Chamber of Commerce and Industry
(NOCCI) on the Aggregate Revenue Requirement & Wheeling and Retail Supply
Tariff Application filed by TPNODL for the FY 2026-27**

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2026-27 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .
Reply to the points raised by the Ld. Objector are furnished hereunder.
2. **Respondent's view /suggestion:** DISCOM should present a detailed sales estimate for each consumer classification to Hon'ble OERC for approval. DISCOM has only provided voltage –wise sales which violates Regulation 5.3.4 of OERC Wheeling & RST Regulations, 2022.

TPNODL Reply: The licensee has furnished the voltage wise, category wise -number of consumers, consumption and load for the previous financial year, for first six months of the current financial year and the projection for the ensuing financial year alongwith the corresponding loss levels and the total power input requirement in the Tariff Format T-1.

Under T2 and T3, for domestic and commercial category of consumers, load wise slab wise actual consumption for the previous financial year and first six months of the current financial years are furnished. Under T5, load-wise consumption details of

Irrigation & Agricultural Consumers, Allied Agricultural Activities & Allied Agro-Industrial Activities consumers have been furnished.

Under T9, month-wise consumption of EHT /HT consumers with load more than 1MVA has been furnished in addition to that details upto January also submitted before Hon'ble Commission.

Under performance format P8, month-wise details of Maximum demand individual consumer-wise for consumers with load more than 110KVA have been furnished.

Under, Performance Format P9, consumer-wise month wise consumption details for load more than 110KVA have been furnished for the previous financial year as well as for the first six months of the current financial year. Consumer wise details as required under the ARR Tariff as well as Performance formats is possible only because the licensee maintains robust database of all consumers with desired particulars in adherence to the provisions of Regulation 5.3.4 of OERC Tariff Regulation,2022.

The contention of the Ld. Objector that the DISCOM has failed to adhere to the requirement is not correct.

3. **Respondent's view /suggestion:** In 2019-20, when distribution licensee were not privatised, the distribution losses were 23.12%(TPCODL), 13.19%(TPNODL), 18.73%(TPWODL) and 23.07%(TPSODL). However, after spending huge CAPEX and OPEX, the distribution loss of Tata Power DISCOMs is not able to match the level of earlier utilities.

TPNODL Reply: In response to the point raised by the Ld. Objector, it is pertinent to mention here that, after taking over the distribution business, **1,64,285** numbers of untraceable consumers were taken out from the active directory of billing database, on physical site verification, whose billing was continuing for years without any actual whereabouts of those consumers. Further, it will not be out of place to mention here that, by March,2025, the provisional billing and average billing percentage have been brought down to less than 1%. The licensee has also implemented OCR based meter reading technology, wherein by the help of Integrated Mobile application, the meter reading is auto scanned to eliminate reading errors /table readings. The T&D loss level in TPNODL jurisdiction is 12.46% by FY 25.

Vesting order of the utility was issued by Hon'ble Commission after hearing the parties namely NESCO Utility, TPCL, GRIDCO, OPTCL and Government of Odisha. Government of Odisha is the elected representation of the peoples of the State and hence the representation of interest of the peoples of the state has already been taken into consideration. On receiving request from NESCO Power Engineers Association

for implement also, Hon'ble Commission allowed the intervener to take part in the proceeding. None other parties has prayed before Hon'ble Commission for impleadment in the matter at that time. The Vesting order was pronounced on 25.03.21 in Case No-9/2021. However, no review petition was filed before Hon'ble Commission on any of its provisions neither it was challenged and hence it has attended its finality.

In the Vesting order of TPNODL, Hon'ble Commission has fixed AT&C loss reduction trajectory to reduce the AT&C loss from 25.17% to 9.5% in first ten years of operation, that is reduction target of 15.67%.

In first five years of operation, the licensee has been able to reduce the AT&C loss upto 12.64% that is by 12.53% which can be compared with any period of operation of the DISCOM in the span of last two decades.

Further, this will not be out of place to mention here that, TPNODL has been ranked 9th Best DISCOM in the 14th Annual Integrated Rating & Ranking by Ministry of Power.

Therefore, the contention of the objector for reviewing the Vesting order is devoid of any merit and hence may be rejected.

4. **Respondent's view /suggestion:** Industrial Tariff for EHT Consumers-Although EHT loads are contributing significantly to overall reduction of AT&C losses and stability of GRID, the tariff for EHT loads are increasing year over year.

TPNODL Reply: Hon'ble Commission introduced kVAh based billing in the Tariff order for the financial year FY 2021-22 which became effective from 4.4.2021. Hon'ble Commission introduced KVAh billing as it is having the inherent mechanism to incentivize /penalize the consumers according to their power factor. The prime objective of Hon'ble Commission for introduction of kVAh billing was to encourage the consumers to maintain near unity power factor, to achieve loss reduction, improve system stability, power quality and improve voltage profile. **There has been no increase in the tariff applicable for HT/EHT consumers since 2021-22.**

The licensee has also proposed a number of rationalisation measures for EHT/HT industrial consumers in its ARR application from year to year.

5. **Respondent's view /suggestion:** Three slab based graded tariff for HT/EHT Consumers-The 3slab graded incentive tariff will have the effect of reducing the tariff for all HT and EHT consumers for higher consumption and it will help the licensee. Therefore, we request Hon'ble Commission to reintroduce the 3slab based graded incentive tariff in FY 2026-27.

TPNODL Reply: The three-graded slab applicable for HT/EHT consumers was only restructured. EHT and HT consumers are charged a tariff for consumption up to 60% Load factor and for consumption more than 60% Load factor a reduced tariff is applicable. The present applicable slab for HT/EHT consumers is furnished in the following table

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

Load Factor (%)	HT	EHT
= < 60%	585.00	580.00
> 60%	475.00	470.00

The energy charges for HT and EHT consumers for consumption beyond 60% LF is 110 paise per unit less than that for consumption up to 60% LF.

Hon'ble Commission has set energy charges at different voltage levels to reflect the cost of supply.

Hon'ble Commission has already explained that as more and more industrial consumers are running at a higher load factor, Commission considered modifying the graded slab structure applicable for HT/EHT consumers. However, the intent of encouraging more consumption at higher load factor by incentivizing tariff at higher LF level has been maintained and Hon'ble Commission has also approved two more provisions for encouraging consumption at higher Load factor which are reproduced hereunder:

(1) All the industrial Consumers drawing power at EHT level shall be eligible for a rebate of 20paise per unit (kVAh) for all the units consumed beyond 80% load factor.

The above provision made the applicable Tariff for EHT a 3slab structure – one upto 60% LF, second one more than 60% and less than 80% LF and the third one more than 80% LF.

(2) All HT industrial Consumers (Steel Plant) without CGP having CD of 1MVA and above shall get a rebate on Energy Charge on achieving the load factor as given below:

Load Factor	CD upto 6MVA	CD above 6MVA
65% and above upto 75%	10% on Energy Charge	
Above 75% upto 85%	15% on Energy Charge	8% on Energy Charge

<i>Above 85%</i>	<i>20% on Energy Charge</i>	<i>10% on Energy Charge</i>
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The above rebate shall be applicable on total consumption of energy. Load reduction shall not be permitted to such category of industry for availing this rebate during the financial year 2025-26.

Further, Aluminium industries (Arc furnace) connected at 33KV level without CGP having CD more than 1MVA and upto 6MVA shall be eligible for a rebate of 10% on the Energy charge for the entire energy consumption beyond 85% load factor.

The EHT consumers are eligible for the 3 graded slab structure with 20paise per unit rebate for consumption more than 80% Load factor in the existing Tariff itself, so also the eligible HT industries are getting incentivized for consumption at higher load factor as explained above.

Therefore, the contention of the objector is devoid of any merit and may be rejected.

6. **Respondent's view /suggestion:** Distribution loss – DISCOMs have themselves admitted that the distribution loss at 33KV and 11KV has been reduced to 3.5% to 4.5%. Hence, Hon'ble OERC should consider normative HT loss at 3%.

TPNODL Reply:

TPNODL has achieved 100% metering coverage at key points of the distribution network, like all 33 kV feeders, 250 incomer feeders at 33 kV Primary Substations (PSS) and all 11 kV feeders.

TPNODL also aims to identify losses at the 11 kV feeder level by comparing feeder input energy with the aggregated energy measured through DT meters. Accurate computation of 11 kV losses requires DT metering at all transformers connected to the feeder. TPNODL has already installed DT meters for transformers of 100 kVA and above, and the installation of meters for 63 kVA DTs is currently in progress.

As complete DT metering is yet to be achieved, precise computation of 11 kV feeder losses based on metered data is presently not feasible.

In view of the above, TPNODL respectfully submits that the Hon'ble Commission may continue to consider the normative HT loss of 8% for tariff and regulatory purposes.

7. **Respondent's view /suggestion: Need for consumer category Provision for Mega steel Plant**

TPNODL Reply: As suggested by the Ld objector, incentive cannot be offered on more than 20% load factor, as the very motive of load factor incentive is to encourage higher drawl from the licensee, so that optimum utilisation of the corridor reserved for the required quantum can be done and at the same time revenue as projected by the licensee can be met.

Further, all the industrial consumers drawing power at EHT level are allowed a rebate of 20paise per unit (KVAh) for all units consumed in excess of 80% load factor.

8. Respondent's view /suggestion: Proposal for load factor Rebate

TPNODL Reply: The method suggested by the Ld. Objector has not been substantiated with any justification for the method of incentive suggested and hence is devoid of any merit. The very motive of providing incentive is to encourage consumers to drawl more power from the incumbent distribution licensee and the tariff setting is done by the Hon'ble Commission keeping in view the entire cross subsidy mechanism and the mandate of the National Electricity Policy and Tariff Policy.

The matter has also been addressed under point no.-5 in detail, which may please be referred.

9. Respondent's view /suggestion: Open Access and Other Related Issues

- (i) No CSS during major breakdown
- (ii) DISCOM should not mandate an annual tentative drawl plan
- (iii) Open Access should not be limited to Contract Demand
- (iv) CSS to be limited within 20% of the applicable tariff

TPNODL Reply: In response to the contentions made by the Ld. objector, the following points are placed –

(i) The open access consumers embedded in the distribution system will not be able to avail power supply through open access during major breakdown because the power evacuating corridor will be under breakdown. Only the open access consumer who is availing power supply through a dedicated line from its own CGP may avail power during major breakdown of the network of distribution licensee, however, such cases are not entitled for levy of CSS.

(ii) DISCOM is mandated under Licence condition and also under OERC (Framework for Resource Adequacy) Regulation, 2024 to prepare and submit short term, medium term and Long-Term load forecasting which plays the most crucial role in planning power procurement and system network adequacy as well. As the open access consumer is an embedded consumer of the distribution licensee, the annual

drawl plan of the consumer is an inseparable part of the licensee's drawl plan and hence cannot be dispensed with.

(iii) In case of an open access consumer drawing open access power through the common network of the distribution licensee, the network loading and adequacy is accessed and planned majorly based on the contract demand of the connected consumers as it indicates its reserved entitlement irrespective of its drawl.

(iv) As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within +20% of the ACoS. If table no. 36 of the RST Order FY 25-26 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within +20% of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

The computed cross subsidy surcharge for DISCOMs have been given in table -38 of para 156 of RST order FY 26. In view of the mandate of Electricity Act'2003 under section 42, the cross-subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-38 of RST order is reproduced hereunder:

Table – 38
Computed Surcharge for Open Access for Consumer 1MW and above for FY 2025-26 (paise / unit)

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Surcharge for EHT Consumer	231.40	186.40	161.40	356.40
Surcharge for HT Consumer	106.23	3.45	28.18	170.58

However, the approved charges for FY 26 as given under table 39 are done at 70% of the computed values. The table no. 39 is reproduced hereunder:

Table – 39
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	EHT	HT		
TPCODL	161.98	74.36	102.55	The Open Access customer availing Open Access shall pay Rs.6120/MW-day (Rs.255/MWh) as transmission charges.
TPNODL	130.48	2.41	156.41	
TPWODL	112.98	19.73	104.51	
TPSODL	249.48	119.41	174.06	

10. Respondent's view /suggestion: Summary of Interim Proposal approved vide order dated 22.07.2025-

- (i) The details of consumers availed power supply under the scheme to be submitted by DISCOMs
- (ii) Special tariff of Rs.4.30per kVAh should be extended to all types of industries, with or without CGP, without any condition of assured consumption or linkage to load factor

TPNODL Reply:

- (i) As correctly cited by the Ld. Objector, Hon'ble Commission had directed GRIDCO/DISCOMs to submit an efficacy report after two months, based on which Hon'ble Commission may revisit the scheme. If the Ld. objector will refer to the interim direction given by Hon'ble Commission in the matter on 14.10.2025 after hearing the matter, Hon'ble Commission had directed GRIDCO/DISCOMs to furnish detailed report and the licensee has submitted before Hon'ble Commission month wise consumer wise details.
- (ii) The Ld. Objector will agree that there is a methodology in which the tariff applicable for a particular category is decided. Hon'ble Commission decides the tariff applicable examining all aspects.

11. Respondent's view /suggestion: Additional Load factor Incentive

TPNODL Reply: In ARR application for FY 2026-27, in Tariff rationalisation measures para-9.4 suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

12. Respondent's view /suggestion: Proposal for introduction of a power factor incentive

TPNODL Reply: In ARR application for FY 2026-27, in Tariff rationalisation measures para-9.18 suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

13. Respondent's view /suggestion: ToD Benefit & Surcharge

TPNODL Reply: ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kw and with smart meters except consumer under Agriculture tariff. The eligible consumers will get a ToD rebate @20Paise per unit for energy consumed during solar hours and a surcharge of 30 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift

the load of the consumers from peak to no-peak/solar hours. In place of increasing the ToD benefit, increasing ToD surcharge can be thought of which can dissuade the consumers from drawing in peak hours.

14. Respondent's view /suggestion: Contract Demand related issues

TPNODL Reply: The licence is following the regulation strictly. In ARR application for FY 2026-27, in Tariff rationalisation measures suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

15. Respondent's view /suggestion: Allocation of Green Power to industries having CGP through GTP mechanism

TPNODL Reply: In ARR application submission of FY 2026-27, in Para no.-9.7 of Tariff rationalisation measures suggestion have been well elaborated with justifications in the application of the licensee which may please be referred.

16. Respondent's view /suggestion: Green Tariff for Sale of Renewable Power through DISCOMS

TPNODL Reply: TPNODL has proposed in our ARR application 2026-27 to the Hon'ble Commission may determine a separate Green Tariff applicable for renewable-energy sales under this scheme as per clause 3 (c) of Regulation 5 (chapter 1 of the OERC (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023. The tariff shall be cost-reflective and an appropriate component for RCO compliance. No Cross-Subsidy surcharge shall be applicable on such transactions.

17. Respondent's view /suggestion: Bill Revision issue

TPNODL Reply:

(i) TPNODL is strictly following the regulations-155 & 157 prescribed in the Supply code 2019 for bill revisions. However, to address the consumer's concern, TPNODL has requested the Hon'ble Commission to permit/allow the downward bill revision beyond 2 years.

(ii) As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within $\pm 20\%$ of the ACoS. If table no. 25 of the RST Order FY 24-25 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within $\pm 20\%$ of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

- 18. Respondent's view /suggestion:** Providing Connection to Green Hydrogen Projects under separate metering arrangement

TPNODL Reply:

In view of Govt. of Odisha target to achieve green hydrogen production target by 2030, this is to bring into the kind information of the Hon'ble Commission that may more industries will be setting up the Green Hydrogen Production facility in the state. Further, to provide the smooth connectivity approval, separate metering arrangement etc. under the preview of applicable regulations by Distribution Licensee to intended industries seeking for setting up Green Hydrogen facility in the State of Odisha, Discoms humbly prays before Hon'ble Commission to issue necessary direction and frame a procedural guideline in this regard.

- 19. Respondent's view /suggestion:** Charging of leading power factor while billing to EHT Consumers i.e. (Lead+Lag) kVAh Billing

TPNODL Reply: In our ARR application submission under Point no.-9.8 of Tariff rationalisation measures suggested have been well elaborated with justifications in the application of the licensee which may please be referred.

- 20. Respondent's view /suggestion: Security Deposit related issue**

TPNODL Reply:

(i) The relevant extract on payment of SD from regulation 52(iv) of OERC Distribution (Condition of Supply) code, 2019 is provided hereunder:

“The security deposit shall be paid in cash or by bank draft or by electronic/digital payment. It may also be paid by cheque or by credit card, where specifically allowed by the licensee/supplier”.

Further, regulation provides for interest on the security deposit also. The above provision makes the required amount available with the licensee, which can be utilised without any additional time involvement, in case it will be required to adjust the security deposit. This ensures payment security to the licensee. This matter has already been addressed by Hon'ble Commission in previous Tariff proceedings.

(ii) The provision of delayed payment surcharge is not to enrich the licensee by 7%-8%, but the ensure payment security to the licensee. The very aim of the provision is to develop the culture of payment within the stipulated time among the consumers. Because of this provision, the consumer will be persuaded to make payment within the

stipulated time. Therefore, the apprehension of the Ld Objector regarding enriching the licensee by this extra amount is baseless.

The proposal of the objector of paying interest on additional SD, even without receiving SD physically is totally not tenable. Interest has been allowed by Hon'ble Commission as the money is retained by the licensee to ensure the payment security. Interest can never be allowed to consumer before receiving SD physically.

21. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

**C.C. to: North Odisha Chamber of Commerce and Industry(NOCCI), Ganeswarpur
Industrial Estate, Januganj, Balsore-756019, Phone- 06782-224273/240287,
email-info@nocci.in**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
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BHUBANESWAR**

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IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**
AND

IN THE MATTER OF: M/s. Jindal Stainless Limited, Kalinganagar, Industrial Complex, Jajpur, Odisha-755026.

.....**Respondent**

Rejoinder to the objection filed by M/s. Jindal Stainless Limited, Kalinganagar Industrial Complex on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2026-27 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .
Reply to the points raised by the Ld. Objector are furnished hereunder.
2. **Respondent's view /suggestion:** Industrial Tariff for EHT Consumers-Although EHT loads are contributing significantly to overall reduction of AT&C losses and stability of GRID, the tariff for EHT loads are increasing year over year.

TPNODL Reply: Hon'ble Commission introduced kVAh based billing in the Tariff order for the financial year FY 2021-22 which became effective from 4.4.2021. Hon'ble Commission introduced KVAh billing as it is having the inherent mechanism to incentivize /penalize the consumers according to their power factor. The prime objective of Hon'ble Commission for introduction of kVAh billing was to encourage the consumers to maintain near unity power factor, to achieve loss reduction, improve system stability, power quality and improve voltage profile. **There has been no increase in the tariff applicable for HT/EHT consumers since 2021-22.**

The licensee has also proposed a number of rationalisation measures for EHT/HT industrial consumers in its ARR application from year to year.

3. **Respondent's view /suggestion:** Three slab based graded tariff for HT/EHT Consumers- The 3slab graded incentive tariff will have the effect of reducing the tariff for all HT and EHT consumers for higher consumption and it will help the licensee. Therefore, we request Hon'ble Commission to reintroduce the 3slab based graded incentive tariff in FY 2026-27.

TPNODL Reply: The three-graded slab applicable for HT/EHT consumers was only restructured. EHT and HT consumers are charged a tariff for consumption up to 60% Load factor and for consumption more than 60% Load factor a reduced tariff is applicable. The present applicable slab for HT/EHT consumers is furnished in the following table

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

Load Factor (%)	HT	EHT
= < 60%	585.00	580.00
> 60%	475.00	470.00

The energy charges for HT and EHT consumers for consumption beyond 60% LF is 110 paise per unit less than that for consumption up to 60% LF.

Further Hon'ble Commission determines the tariff basing on the principle of higher rate of energy charge for supply at low voltage and gradual reduction in rate as the voltage level goes up. Hon'ble Commission has set energy charges at different voltage levels to reflect the cost of supply.

Hon'ble Commission has already explained that as more and more industrial consumers are running at a higher load factor, Commission considered modifying the graded slab structure applicable for HT/EHT consumers. However, the intent of encouraging more consumption at higher load factor by incentivizing tariff at higher LF level has been maintained and Hon'ble Commission has also approved two more provisions for encouraging consumption at higher Load factor which are reproduced hereunder:

(1) All the industrial Consumers drawing power at EHT level shall be eligible for a rebate of 20paise per unit (kVAh) for all the units consumed beyond 80% load factor.

The above provision made the applicable Tariff for EHT a 3slab structure – one upto 60% LF, second one more than 60% and less than 80% LF and the third one more than 80% LF.

(2) All HT industrial Consumers (Steel Plant) without CGP having CD of 1MVA and above shall get a rebate on Energy Charge on achieving the load factor as given below:

Load Factor	CD upto 6MVA	CD above 6MVA

65% and above upto 75%	10% on Energy Charge	
Above 75% upto 85%	15% on Energy Charge	8% on Energy Charge
Above 85%	20% on Energy Charge	10% on Energy Charge

The above rebate shall be applicable on total consumption of energy. Load reduction shall not be permitted to such category of industry for availing this rebate during the financial year 2025-26.

Further, Aluminium industries (Arc furnace) connected at 33KV level without CGP having CD more than 1MVA and upto 6MVA shall be eligible for a rebate of 10% on the Energy charge for the entire energy consumption beyond 85% load factor.

The objecting consumer, being one EHT consumer is eligible for the 3 graded slab structure with 20paise per unit rebate for consumption more than 80% Load factor in the existing Tariff itself.

Therefore, the contention of the objector is devoid of any merit and may be rejected.

4. **Respondent's view /suggestion:** Distribution loss – DISCOMs have themselves admitted that the distribution loss at 33KV and 11KV has been reduced to 3.5% to 4.5%. Hence, Hon'ble OERC should consider normative HT loss at 3%.

TPNODL Reply: TPNODL has achieved 100% metering coverage at key points of the distribution network, like all 33 kV feeders, 250 incomer feeders at 33 kV Primary Substations (PSS) and all 11 feeders.

TPNODL also aims to identify losses at the 11 kV feeder level by comparing feeder input energy with the aggregated energy measured through DT meters. Accurate computation of 11 kV losses requires DT metering at all transformers connected to the feeder. TPNODL has already installed DT meters for transformers of 100 kVA and above, and the installation of meters for 63 kVA DTs is currently in progress.

As complete DT metering is yet to be achieved, precise computation of 11 kV feeder losses based on metered data is presently not feasible.

In view of the above, TPNODL respectfully submits that the Hon'ble Commission may continue to consider the normative HT loss of 8% for tariff and regulatory purposes.

Respondent's view /suggestion: Need for consumer category Provision for Mega steel Plant

TPNODL Reply: As suggested by the Ld objector, incentive cannot be offered on more than 20% load factor, as the very motive of load factor incentive is to encourage higher drawl from the licensee, so that optimum utilisation of the corridor reserved for the required quantum can be done and at the same time revenue as projected by the licensee can be met.

Further, all the industrial consumers drawing power at EHT level are allowed a rebate of 20paise per unit (KVAh) for all units consumed in excess of 80% load factor.

5. Respondent's view /suggestion: Proposal for load factor Rebate

TPNODL Reply: The method suggested by the Ld. Objector has not been substantiated with any justification for the method of incentive suggested and hence is devoid of any merit. The very motive of providing incentive is to encourage consumers to drawl more power from the incumbent distribution licensee and the tariff setting is done by the Hon'ble Commission keeping in view the entire cross subsidy mechanism and the mandate of the National Electricity Policy and Tariff Policy.

The matter has also been addressed under point no.-3 in detail, which may please be referred.

6. Respondent's view /suggestion: Open Access and Other Related Issues

- (i) No CSS during major breakdown
- (ii) DISCOM should not mandate an annual tentative drawl plan
- (iii) Open Access should not be limited to Contract Demand
- (iv) CSS to be limited within 20% of the applicable tariff

TPNODL Reply: In response to the contentions made by the Ld. objector, the following points are placed –

(i) The open access consumers embedded in the distribution system will not be able to avail power supply through open access during major breakdown because the power evacuating corridor will be under breakdown. Only the open access consumer who is availing power supply through a dedicated line from its own CGP may avail power during major breakdown of the network of distribution licensee, however, such cases are not entitled for levy of CSS.

(ii) DISCOM is mandated under Licence condition and also under OERC (Framework for Resource Adequacy) Regulation, 2024 to prepare and submit short term, medium term and Long-Term load forecasting which plays the most crucial role in planning power procurement and system network adequacy as well. As the open access consumer is an

embedded consumer of the distribution licensee, the annual drawl plan of the consumer is an inseparable part of the licensee's drawl plan and hence cannot be dispensed with.

(iii) In case of an open access consumer drawing open access power through the common network of the distribution licensee, the network loading and adequacy is accessed and planned majorly based on the contract demand of the connected consumers as it indicates its reserved entitlement irrespective of its drawl.

(iv) As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within +20% of the ACoS. If table no. 36 of the RST Order FY 25-26 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within +20% of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

The computed cross subsidy surcharge for DISCOMs have been given in table -38 of para 156 of RST order FY 26. In view of the mandate of Electricity Act'2003 under section 42, the cross-subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-38 of RST order is reproduced hereunder:

Table – 38
Computed Surcharge for Open Access for Consumer 1MW and above for FY 2025-26 (paise / unit)

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	231.40	186.40	161.40	356.40
Surcharge for HT Consumer	106.23	3.45	28.18	170.58

However, the approved charges for FY 26 as given under table 39 are done at 70% of the computed values. The table no. 39 is reproduced hereunder:

Table – 39
Leivable Cross Subsidy Surcharge, Wheeling Charge and Transmission Charge for Open Access Consumer(s) of 1MW and above for FY2025-26

Name of the licensee	Cross Subsidy Surcharge (P/U)		Wheeling Charge P/U applicable to HT Consumers only	Transmission Charges for Open Access Customer (applicable for HT & EHT Consumers)
	EHT	HT		
TPCODL	161.98	74.36	102.55	The Open Access customer availing Open Access shall pay Rs.6120/MW-day (Rs.255/MWh) as transmission charges.
TPNODL	130.48	2.41	156.41	
TPWODL	112.98	19.73	104.51	
TPSODL	249.48	119.41	174.06	

7. Respondent's view /suggestion: Net Metering, Gross-Net Metering and other schemes related issues-MSME and commercial consumers may be permitted to install solar and other renewable projects under Net metering and GNM models through ESCO route.

TPNODL Reply: The suggestion of the Ld. Objector does not pertain to the ARR application of the licensee.

8. Respondent's view /suggestion: Summary of Interim Proposal approved vide order dated 22.07.2025-

- (i) The details of consumers availed power supply under the scheme to be submitted by DISCOMs
- (ii) Special tariff of Rs.4.30per kVAh should be extended to all types of industries, with or without CGP, without any condition of assured consumption or linkage to load factor

TPNODL Reply:

- (i) As correctly cited by the Ld. Objector, Hon'ble Commission had directed GRIDCO/DISCOMs to submit an efficacy report after two months, based on which Hon'ble Commission may revisit the scheme. If the Ld. objector will refer to the interim direction given by Hon'ble Commission in the matter on 14.10.2025 after hearing the matter, Hon'ble Commission had directed GRIDCO/DISCOMs to furnish detailed report and the licensee has submitted before Hon'ble Commission month wise consumer wise details.
- (ii) The Ld. Objector will agree that there is a methodology in which the tariff applicable for a particular category is decided. Hon'ble Commission decides the tariff applicable examining all aspects.

9. Respondent's view /suggestion: Additional Load factor Incentive

TPNODL Reply: In ARR application for FY 2026-27, in Tariff rationalisation measures para-9.4 suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

10. Respondent's view /suggestion: ToD Benefit & Surcharge

TPNODL Reply: ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kw and with smart meters except consumer under Agriculture tariff. The eligible consumers will get a ToD rebate @20Paise per unit for energy consumed during solar hours and a surcharge of 30 paise per unit will be levied for

consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak to no-peak/solar hours. In place of increasing the ToD benefit, increasing ToD surcharge can be thought of which can dissuade the consumers from drawing in peak hours.

11. Respondent's view /suggestion: Contract Demand related issues

TPNODL Reply: The licence is following the regulation strictly. In ARR application for FY 2026-27, in Tariff rationalisation measures suggestion have been well elaborated with justifications in the application of the licensee which may be please referred

12. Respondent's view /suggestion: Allocation of Green Power to industries having CGP through GTP mechanism

TPNODL Reply: In ARR application submission of FY 2026-27, in Para no.-9.7 of Tariff rationalisation measures suggestion have been well elaborated with justifications in the application of the licensee which may please be referred.

13. Respondent's view /suggestion: Green Tariff for Sale of Renewable Power through DISCOMS

TPNODL Reply: TPNODL has proposed in our ARR application 2026-27 to the Hon'ble Commission may determine a separate Green Tariff applicable for renewable-energy sales under this scheme as per clause 3 (c) of Regulation 5 (chapter 1 of the OERC (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023. The tariff shall be cost-reflective and an appropriate component for RCO compliance. No Cross-Subsidy surcharge shall be applicable on such transactions.

14. Respondent's view /suggestion: Bill Revision issue

TPNODL Reply:

- (i) TPNODL is strictly following the regulations-155 & 157 prescribed in the Supply code 2019 for bill revisions. However, to address consumer's concern, TPNODL has requested the Hon'ble Commission to permit/allow the downward bill revision beyond 2 years.
- (ii) As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within $\pm 20\%$ of the ACoS. If table no. 25 of the RST Order FY 24-25 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within $\pm 20\%$ of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

15. Respondent's view /suggestion: Providing Connection to Green Hydrogen Projects under separate metering arrangement

TPNODL Reply: In view of Govt. of Odisha target to achieve green hydrogen production target by 2030, this is to bring into the kind information of the Hon'ble Commission that may more industries will be setting up the Green Hydrogen Production facility in the state. Further, to provide the smooth connectivity approval, separate metering arrangement etc. under the preview of applicable regulations by Distribution Licensee to intended industries seeking for setting up Green Hydrogen facility in the State of Odisha, Discoms humbly prays before Hon'ble Commission to issue necessary direction and frame a procedural guideline in this regard.

16. Respondent's view /suggestion: Charging of leading power factor while billing to EHT Consumers i.e. (Lead+Lag) kVAh Billing

TPNODL Reply: In our ARR application submission under Point no.-9.8 of Tariff rationalisation measures suggested have been well elaborated with justifications in the application of the licensee which may please be referred.

17. Respondent's view /suggestion: Security Deposit related issue

TPNODL Reply:

- (i) The relevant extract on payment of SD from regulation 52(iv) of OERC Distribution (Condition of Supply) code, 2019 is provided hereunder:

“The security deposit shall be paid in cash or by bank draft or by electronic/digital payment. It may also be paid by cheque or by credit card, where specifically allowed by the licensee/supplier”.

Further, regulation provides for interest on the security deposit also. The above provision makes the required amount available with the licensee, which can be utilised without any additional time involvement, in case it will be required to adjust the security deposit. This ensures payment security to the licensee. This matter has already been addressed by Hon'ble Commission in previous Tariff proceedings.

- (ii) The provision of delayed payment surcharge is not to enrich the licensee by 7%-8%, but the ensure payment security to the licensee. The very aim of the provision is to develop the culture of payment within the stipulated time among the consumers. Because of this provision, the consumer will be persuaded to make payment within the stipulated time. Therefore, the apprehension of the Ld Objector regarding enriching the licensee by this extra amount is baseless.

The proposal of the objector of paying interest on additional SD, even without receiving SD physically is totally not tenable. Interest has been allowed by

Hon'ble Commission as the money is retained by the licensee to ensure the payment security. Interest can never be allowed to consumer before receiving SD physically.

18. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TP NODL for the year 2026-27 have been placed in TP NODL website www.tpnodl.com, which may please be referred

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

Cc to: M/s. Jindal Stainless Limited, Kalinganagar, Industrial Complex, Jajpur, Odisha-755026

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**
AND

IN THE MATTER OF: M/s. Visa Steel Limited, Kalinganagar Industrial Complex, At/Po-
Jakhpura, Dist-Jajpur, Odisha-755026, Email-dr.dash@visasteel.com,
Mobile -9777958822

.....**Respondent**

Rejoinder to the objection filed by M/s. Visa Steel Limited on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2026-27 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .
Reply to the points raised by the Ld. Objector are furnished hereunder.
2. **Respondent's view /suggestion:** DISCOM should present a detailed sales estimate for each consumer classification to Hon'ble OERC for approval. DISCOM has only provided voltage -wise sales which violates Regulation 5.3.4 of OERC Wheeling & RST Regulations, 2022.

TPNODL Reply: The licensee has furnished the voltage wise, category wise -number of consumers, consumption and load for the previous financial year, for first six months of the current financial year and the projection for the ensuing financial year alongwith the corresponding loss levels and the total power input requirement in the Tariff Format T-1.

Under T2 and T3, for domestic and commercial category of consumers, load wise slab wise actual consumption for the previous financial year and first six months of the current financial years are furnished. Under T5, load-wise consumption details of Irrigation & Agricultural Consumers, Allied Agricultural Activities & Allied Agro-Industrial Activities consumers have been furnished.

Under T9, month-wise consumption of EHT /HT consumers with load more than 1MVA has been furnished in addition to that details upto January also submitted before Hon'ble Commission.

Under performance format P8, month-wise details of Maximum demand individual consumer-wise for consumers with load more than 110KVA have been furnished.

Under, Performance Format P9, consumer-wise month wise consumption details for load more than 110KVA have been furnished for the previous financial year as well as for the first six months of the current financial year. Consumer wise details as required under the ARR Tariff as well as Performance formats is possible only because the licensee maintains robust database of all consumers with desired particulars in adherence to the provisions of Regulation 5.3.4 of OERC Tariff Regulation,2022.

The contention of the Ld. Objector that the DISCOM has failed to adhere to the requirement is not correct.

3. Respondent's view /suggestion: In 2019-20, when distribution licensee were not privatised, the distribution losses were 23.12%(TPCODL), 13.19%(TPNODL), 18.73%(TPWODL) and 23.07%(TPSODL). However, after spending huge CAPEX and OPEX, the distribution loss of Tata Power DISCOMs is not able to match the level of earlier utilities.

TPNODL Reply: In response to the point raised by the Ld. Objector, it is pertinent to mention here that, after taking over the distribution business, **1,64,285** numbers of untraceable consumers were taken out from the active directory of billing database, on physical site verification, whose billing was continuing for years without any actual whereabouts of those consumers. Further, it will not be out of place to mention here that, by March,2025, the provisional billing and average billing percentage have been brought down to less than 1%. The licensee has also implemented OCR based meter reading technology, wherein by the help of Integrated Mobile application, the meter reading is auto scanned to eliminate reading errors /table readings. The T&D loss level in TPNODL jurisdiction is 12.46% by FY 25.

Vesting order of the utility was issued by Hon'ble Commission after hearing the parties namely NESCO Utility, TPCL, GRIDCO, OPTCL and Government of Odisha. Government of Odisha is the elected representation of the peoples of the State and hence the representation of interest of the peoples of the state has already been taken into consideration. On receiving request from NESCO Power Engineers Association for implement also, Hon'ble Commission allowed the intervener to take part in the proceeding. None other parties has prayed before Hon'ble Commission for implement in the matter at that time. The Vesting order was pronounced on 25.03.21 in Case No-9/2021. However, no

review petition was filed before Hon'ble Commission on any of its provisions neither it was challenged and hence it has attended its finality.

In the Vesting order of TPNODL, Hon'ble Commission has fixed AT&C loss reduction trajectory to reduce the AT&C loss from 25.17% to 9.5% in first ten years of operation, that is reduction target of 15.67%.

In first five years of operation, the licensee has been able to reduce the AT&C loss upto 12.64% that is by 12.53% which can be compared with any period of operation of the DISCOM in the span of last two decades.

Further, this will not be out of place to mention here that, TPNODL has been ranked 9th Best DISCOM in the 14th Annual Integrated Rating & Ranking by Ministry of Power.

Therefore, the contention of the objector for reviewing the Vesting order is devoid of any merit and hence may be rejected.

4. **Respondent's view /suggestion:** Industrial Tariff for EHT Consumers-Although EHT loads are contributing significantly to overall reduction of AT&C losses and stability of GRID, the tariff for EHT loads are increasing year over year.

TPNODL Reply: Hon'ble Commission introduced kVAh based billing in the Tariff order for the financial year FY 2021-22 which became effective from 4.4.2021. Hon'ble Commission introduced KVAh billing as it is having the inherent mechanism to incentivize /penalize the consumers according to their power factor. The prime objective of Hon'ble Commission for introduction of kVAh billing was to encourage the consumers to maintain near unity power factor, to achieve loss reduction, improve system stability, power quality and improve voltage profile. **There has been no increase in the tariff applicable for HT/EHT consumers since 2021-22.**

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The EHT consumers are eligible for the 3 graded slab structure with 20paise per unit rebate for consumption more than 80% Load factor in the existing Tariff itself, so also the eligible HT industries are getting incentivized for consumption at higher load factor as explained above.

Therefore, the contention of the objector is devoid of any merit and may be rejected.

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The matter has also been addressed under point no.-5 in detail, which may please be referred.

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	EHT	HT		
TPCODL	161.98	74.36	102.55	The Open Access customer availing Open Access shall pay Rs.6120/MW-day (Rs.255/MWh) as transmission charges.
TPNODL	130.48	2.41	156.41	
TPWODL	112.98	19.73	104.51	
TPSODL	249.48	119.41	174.06	

9. **Respondent's view /suggestion:** Net Metering, Gross-Net Metering and other schemes related issues-MSME and commercial consumers may be permitted to install solar and other renewable projects under Net metering and GNM models through ESCO route.

TPNODL Reply: The suggestion of the Ld. Objector does not pertain to the ARR application of the licensee.

11. **Respondent's view /suggestion: Summary of Interim Proposal approved vide order dated 22.07.2025-**

- (i) The details of consumers availed power supply under the scheme to be submitted by DISCOMs
- (ii) Special tariff of Rs.4.30per kVAh should be extended to all types of industries, with or without CGP, without any condition of assured consumption or linkage to load factor

TPNODL Reply:

- (i) As correctly cited by the Ld. Objector, Hon'ble Commission had directed GRIDCO/DISCOMs to submit an efficacy report after two months, based on which Hon'ble Commission may revisit the scheme. If the Ld. objector will refer to the interim direction given by Hon'ble Commission in the matter on 14.10.2025 after hearing the matter, Hon'ble Commission had directed GRIDCO/DISCOMs to furnish detailed report and the licensee has submitted before Hon'ble Commission month wise consumer wise details.
- (ii) The Ld. Objector will agree that there is a methodology in which the tariff applicable for a particular category is decided. Hon'ble Commission decides the tariff applicable examining all aspects.

12. **Respondent's view /suggestion:** Additional Load Factor Incentive

TPNODL Reply: In ARR application for FY 2026-27, in Point no.-9.4 of Tariff rationalisation measures suggestion have been well elaborated with justifications in the application of the licensee which may please be referred.

13. **Respondent's view /suggestion:** ToD Benefit & Surcharge

TPNODL Reply: ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kw and with smart meters except consumer under Agriculture tariff. The eligible consumers will get a ToD rebate @20Paise per unit for energy consumed during solar hours and a surcharge of 30 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak to no-peak/solar hours. In place of increasing the ToD benefit, increasing ToD surcharge can be thought of which can dissuade the consumers from drawing in peak hours.

14. **Respondent's view /suggestion:** Contract Demand related issues

TPNODL Reply: The licence is following the regulation strictly. In ARR application for FY 2026-27, in Tariff rationalisation measures suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

15. **Respondent's view /suggestion:** Allocation of Green Power to industries having CGP through GTP mechanism

TPNODL Reply: In ARR application submission of FY 2026-27, in Para no.-9.7 of Tariff rationalisation measures suggestion have been well elaborated with justifications in the application of the licensee which may please be referred.

16. **Respondent's view /suggestion:** Green Tariff for Sale of Renewable Power through DISCOMS

TPNODL Reply: TPNODL has proposed in our ARR application 2026-27 to the Hon'ble Commission may determine a separate Green Tariff applicable for renewable-energy sales under this scheme as per clause 3 (c) of Regulation 5 (chapter 1 of the OERC (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023. The tariff shall be cost-reflective and an appropriate component for RCO compliance. No Cross-Subsidy surcharge shall be applicable on such transactions.

17. **Respondent's view /suggestion:** Bill Revision issue

TPNODL Reply:

- (i) TPNODL is strictly following the regulations-155 & 157 prescribed in the Supply code 2019 for bill revisions. However, to address the consumer's concern, TPNODL has requested the Hon'ble Commission to permit/allow the downward bill revision beyond 2 years.
- (ii) As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within $\pm 20\%$ of the ACoS. If table no. 25 of the RST Order FY 24-25 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within $\pm 20\%$ of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

18. **Respondent's view /suggestion:** Providing Connection to Green Hydrogen Projects under separate metering arrangement

TPNODL Reply: In view of Govt. of Odisha target to achieve green hydrogen production target by 2030, this is to bring into the kind information of the Hon'ble Commission that more industries will be setting up the Green Hydrogen Production facility in the state. Further, to provide the smooth connectivity approval, separate metering arrangement etc. under the preview of applicable regulations by Distribution Licensee to intended industries seeking for setting up Green Hydrogen facility in the State of Odisha, Discoms humbly prays before Hon'ble Commission to issue necessary direction and frame a procedural guideline in this regard.

19. **Respondent's view /suggestion:** Charging of leading power factor while billing to EHT Consumers i.e. (Lead+Lag) kVAh Billing

TPNODL Reply: In our ARR application submission under Point no.-9.8 of Tariff rationalisation measures suggested have been well elaborated with justifications in the application of the licensee which may please be referred.

20. **Respondent's view /suggestion: Security Deposit related issue**

TPNODL Reply:

- (i) The relevant extract on payment of SD from regulation 52(iv) of OERC Distribution (Condition of Supply) code, 2019 is provided hereunder:

“The security deposit shall be paid in cash or by bank draft or by electronic/digital payment. It may also be paid by cheque or by credit card, where specifically allowed by the licensee/supplier”.

Further, regulation provides for interest on the security deposit also. The above provision makes the required amount available with the licensee, which can be utilised without any additional time involvement, in case it will be required to adjust the security deposit. This ensures payment security to the licensee. This matter has already been addressed by Hon'ble Commission in previous Tariff proceedings.

- (ii) The provision of delayed payment surcharge is not to enrich the licensee by 7%-8%, but to ensure payment security to the licensee. The very aim of the provision is to develop the culture of payment within the stipulated time among the consumers. Because of this provision, the consumer will be persuaded to make payment within the stipulated time. Therefore, the apprehension of the Ld Objector regarding enriching the licensee by this extra amount is baseless.

The proposal of the objector of paying interest on additional SD, even without receiving SD physically is totally not tenable. Interest has been allowed by Hon'ble Commission as the money is retained by the licensee to ensure the payment security. Interest can never be allowed to consumer before receiving SD physically.

21. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred

For and on behalf of
TP Northern Odisha Distribution Limited

Sr. GM (Risk, Regulatory & Legal)

C.C. to: M/s. Visa Steel Limited, Kalinganagar Industrial Complex, At/Po-Jakhpura, Dist-Jajpur, Odisha-755026, Email-dr.dash@visasteel.com, Mobile -9777958822

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.
.....**Applicant**
AND

IN THE MATTER OF: M/s. Tata Steel Limited, Kalinganagar Industrial Complex, Duburi, JK
Road, Dist-Jajpur-755026.

.....**Respondent**

Rejoinder to the objection filed by M/s. Tata Steel Limited, Kalinganagar Industrial Complex on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2026-27 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .

Reply to the points raised by the Ld. Objector are furnished hereunder.

2. Respondent's view /suggestion: DISCOM should present a detailed sales estimate for each consumer classification to Hon'ble OERC for approval. DISCOM has only provided voltage -wise sales which violates Regulation 5.3.4 of OERC Wheeling &RST Regulations, 2022.

TPNODL Reply: The licensee has furnished the voltage wise, category wise -number of consumers, consumption and load for the previous financial year, for first six months of the current financial year and the projection for the ensuing financial year alongwith the corresponding loss levels and the total power input requirement in the Tariff Format T-1.

Under T2 and T3, for domestic and commercial category of consumers, load wise slab wise actual consumption for the previous financial year and first six months of the current financial years are furnished. Under T5, load-wise consumption details of Irrigation & Agricultural Consumers, Allied Agricultural Activities & Allied Agro-Industrial Activities consumers have been furnished.

Under T9, month-wise consumption of EHT /HT consumers with load more than 1MVA has been furnished in addition to that details upto January also submitted before Hon'ble Commission.

Under performance format P8, month-wise details of Maximum demand individual consumer-wise for consumers with load more than 110KVA have been furnished.

Under, Performance Format P9, consumer-wise month wise consumption details for load more than 110KVA have been furnished for the previous financial year as well as for the first six months of the current financial year. Consumer wise details as required under the ARR Tariff as well as Performance formats is possible only because the licensee maintains robust database of all consumers with desired particulars in adherence to the provisions of Regulation 5.3.4 of OERC Tariff Regulation,2022.

The contention of the Ld. Objector that the DISCOM has failed to adhere to the requirement is not correct.

3. Respondent's view /suggestion: In 2019-20, when distribution licensee were not privatised, the distribution losses were 23.12%(TPCODL), 13.19%(TPNODL), 18.73%(TPWODL) and 23.07%(TPSODL). However, after spending huge CAPEX and OPEX, the distribution loss of Tata Power DISCOMs is not able to match the level of earlier utilities.

TPNODL Reply: In response to the point raised by the Ld. Objector, it is pertinent to mention here that, after taking over the distribution business, **1,64,285** numbers of untraceable consumers were taken out from the active directory of billing database, on physical site verification, whose billing was continuing for years without any actual whereabouts of those consumers. Further, it will not be out of place to mention here that, by March,2025, the provisional billing and average billing percentage have been brought down to less than 1%. The licensee has also implemented OCR based meter reading technology, wherein by the help of Integrated Mobile application, the meter reading is auto scanned to eliminate reading errors /table readings. The T&D loss level in TPNODL jurisdiction is 12.46% by FY 25.

Vesting order of the utility was issued by Hon'ble Commission after hearing the parties namely NESCO Utility, TPCL, GRIDCO, OPTCL and Government of Odisha. Government of Odisha is the elected representation of the peoples of the State and hence the representation of interest of the peoples of the state has already been taken into consideration. On receiving request from NESCO Power Engineers Association for implementation also, Hon'ble Commission allowed the intervener to take part in the proceeding. None other parties has prayed before Hon'ble Commission for impleadment in the matter at that time. The Vesting order was pronounced on 25.03.21 in Case No-9/2021. However, no

review petition was filed before Hon'ble Commission on any of its provisions neither it was challenged and hence it has attended its finality.

In the Vesting order of TPNODL, Hon'ble Commission has fixed AT&C loss reduction trajectory to reduce the AT&C loss from 25.17% to 9.5% in first ten years of operation, that is reduction target of 15.67%.

In first five years of operation, the licensee has been able to reduce the AT&C loss upto 12.64% that is by 12.53% which can be compared with any period of operation of the DISCOM in the span of last two decades.

Further, this will not be out of place to mention here that, TPNODL has been ranked 9th Best DISCOM in the 14th Annual Integrated Rating & Ranking by Ministry of Power.

Therefore, the contention of the objector for reviewing the Vesting order is devoid of any merit and hence may be rejected.

4. **Respondent's view /suggestion:** Industrial Tariff for EHT Consumers-Although EHT loads are contributing significantly to overall reduction of AT&C losses and stability of GRID, the tariff for EHT loads are increasing year over year.

TPNODL Reply: Hon'ble Commission introduced kVAh based billing in the Tariff order for the financial year FY 2021-22 which became effective from 4.4.2021. Hon'ble Commission introduced KVAh billing as it is having the inherent mechanism to incentivize /penalize the consumers according to their power factor. The prime objective of Hon'ble Commission for introduction of kVAh billing was to encourage the consumers to maintain near unity power factor, to achieve loss reduction, improve system stability, power quality and improve voltage profile. **There has been no increase in the tariff applicable for HT/EHT consumers since 2021-22.**

The licensee has also proposed a number of rationalisation measures for EHT/HT industrial consumers in its ARR application from year to year.

5. **Respondent's view /suggestion: Need for consumer category Provision for Mega steel Plant**

TPNODL Reply: As suggested by the Ld objector, incentive cannot be offered on more than 20% load factor, as the very motive of load factor incentive is to encourage higher drawl from the licensee, so that optimum utilisation of the corridor reserved for the required quantum can be done and at the same time revenue as projected by the licensee can be met.

Further, all the industrial consumers drawing power at EHT level are allowed a rebate of 20paise per unit (KVAh) for all units consumed in excess of 80% load factor.

6. Respondent's view /suggestion: Open Access and Other Related Issues

- (i) No CSS during major breakdown
- (ii) DISCOM should not mandate an annual tentative drawl plan
- (iii) Open Access should not be limited to Contract Demand
- (iv) CSS to be limited within 20% of the applicable tariff

TPNODL Reply: In response to the contentions made by the Ld. objector, the following points are placed –

- (i) The open access consumers embedded in the distribution system will not be able to avail power supply through open access during major breakdown because the power evacuating corridor will be under breakdown. Only the open access consumer who is availing power supply through a dedicated line from its own CGP may avail power during major breakdown of the network of distribution licensee, however, such cases are not entitled for levy of CSS.
- (ii) DISCOM is mandated under Licence condition and also under OERC (Framework for Resource Adequacy) Regulation, 2024 to prepare and submit short term, medium term and Long-Term load forecasting which plays the most crucial role in planning power procurement and system network adequacy as well. As the open access consumer is an embedded consumer of the distribution licensee, the annual drawl plan of the consumer is an inseparable part of the licensee's drawl plan and hence cannot be dispensed with.
- (iii) In case of an open access consumer drawing open access power through the common network of the distribution licensee, the network loading and adequacy is accessed and planned majorly based on the contract demand of the connected consumers as it indicates its reserved entitlement irrespective of its drawl.
- (iv) As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within +20% of the ACoS. If table no. 36 of the RST Order FY 25-26 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within +20% of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

The computed cross subsidy surcharge for DISCOMs have been given in table -38 of para 156 of RST order FY 26. In view of the mandate of Electricity Act'2003 under section 42, the cross-subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-38 of RST order is reproduced hereunder:

Table – 38
Computed Surcharge for Open Access for Consumer 1MW and above for FY 2025-26 (paise / unit)

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	231.40	186.40	161.40	356.40
Surcharge for HT Consumer	106.23	3.45	28.18	170.58

However, the approved charges for FY 26 as given under table 39 are done at 70% of the computed values. The table no. 39 is reproduced hereunder:

Table – 39
Leviable Cross Subsidy Surcharge, Wheeling Charge and Transmission Charge for Open Access Consumer(s) of 1MW and above for FY2025-26

Name of the licensee	Cross Subsidy Surcharge (P/U)		Wheeling Charge P/U applicable to HT Consumers only	Transmission Charges for Open Access Customer (applicable for HT & EHT Consumers)
	EHT	HT		
TPCODL	161.98	74.36	102.55	The Open Access customer availing Open Access shall pay Rs.6120/MW-day (Rs.255/MWh) as transmission charges.
TPNODL	130.48	2.41	156.41	
TPWODL	112.98	19.73	104.51	
TPSODL	249.48	119.41	174.06	

7. Respondent's view /suggestion: Summary of Interim Proposal approved vide order dated 22.07.2025-

- (i) The details of consumers availed power supply under the scheme to be submitted by DISCOMs
- (ii) Special tariff of Rs.4.30per kVAh should be extended to all types of industries, with or without CGP, without any condition of assured consumption or linkage to load factor

TPNODL Reply:

- (i) As correctly cited by the Ld. Objector, Hon'ble Commission had directed GRIDCO/DISCOMs to submit an efficacy report after two months, based on which Hon'ble Commission may revisit the scheme. If the Ld. objector will refer to the interim direction given by Hon'ble Commission in the matter on 14.10.2025 after hearing the matter, Hon'ble Commission had directed GRIDCO/DISCOMs to furnish detailed report and the licensee has submitted before Hon'ble Commission month wise consumer wise details.

- (ii) The Ld. Objector will agree that there is a methodology in which the tariff applicable for a particular category is decided. Hon'ble Commission decides the tariff applicable examining all aspects.

8. Respondent's view /suggestion: ToD Benefit & Surcharge

TPNODL Reply: ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kw and with smart meters except consumer under Agriculture tariff. The eligible consumers will get a ToD rebate @20Paise per unit for energy consumed during solar hours and a surcharge of 30 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak to no-peak/solar hours. In place of increasing the ToD benefit, increasing ToD surcharge can be thought of which can dissuade the consumers from drawing in peak hours.

9. Respondent's view /suggestion: Contract Demand related issues

TPNODL Reply: The licence is following the regulation strictly. In ARR application for FY 2026-27, in Tariff rationalisation measures suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

10. Respondent's view /suggestion: Allocation of Green Power to industries having CGP through GTP mechanism

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TPNODL Reply: TPNODL has proposed in our ARR application 2026-27 to the Hon'ble Commission may determine a separate Green Tariff applicable for renewable-energy sales under this scheme as per clause 3 (c) of Regulation 5 (chapter 1 of the OERC (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023. The tariff shall be cost-reflective and an appropriate component for RCO compliance. No Cross-Subsidy surcharge shall be applicable on such transactions.

12. Respondent's view /suggestion: Bill Revision issue

TPNODL Reply:

- (i) TPNODL is strictly following the regulations-155 & 157 prescribed in the Supply code 2019 for bill revisions. However, to address the consumer's concern, TPNODL has requested the Hon'ble Commission to permit/allow the downward bill revision beyond 2 years.
 - (ii) As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within $\pm 20\%$ of the ACoS. If table no. 25 of the RST Order FY 24-25 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within $\pm 20\%$ of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.
- 13. Respondent's view /suggestion:** Charging of leading power factor while billing to EHT Consumers i.e. (Lead+Lag) kVAh Billing

TPNODL Reply: In our ARR application submission under Point no.-9.8 of Tariff rationalisation measures suggested have been well elaborated with justifications in the application of the licensee which may please be referred.

14. Respondent's view /suggestion: Security Deposit related issue

TPNODL Reply:

- (i) The relevant extract on payment of SD from regulation 52(iv) of OERC Distribution (Condition of Supply) code, 2019 is provided hereunder:

"The security deposit shall be paid in cash or by bank draft or by electronic/digital payment. It may also be paid by cheque or by credit card, where specifically allowed by the licensee/supplier".

Further, regulation provides for interest on the security deposit also. The above provision makes the required amount available with the licensee, which can be utilised without any additional time involvement, in case it will be required to adjust the security deposit. This ensures payment security to the licensee. This matter has already been addressed by Hon'ble Commission in previous Tariff proceedings.

- (ii) The provision of delayed payment surcharge is not to enrich the licensee by 7%-8%, but to ensure payment security to the licensee. The very aim of the provision is to develop the culture of payment within the stipulated time among the consumers. Because of this provision, the consumer will be persuaded to make payment within the stipulated time. Therefore, the apprehension of the Ld Objector regarding enriching the licensee by this extra amount is baseless.

The proposal of the objector of paying interest on additional SD, even without receiving SD physically is totally not tenable. Interest has been allowed by

Hon'ble Commission as the money is retained by the licensee to ensure the payment security. Interest can never be allowed to consumer before receiving SD physically.

15. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

**C.C. to: M/s. Tata Steel Limited, Kalinganagar Industrial Complex, Duburi, JK Road,
Dist-Jajpur- 755026.**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**
AND

IN THE MATTER OF: The Utkal Chamber of Commerce & Industry Ltd.(UCCI), N-6, IRC Village, Nayapalli, Bhubaneswar-751015, pwrch@gmail.com,
Phone-9437155337

.....**Respondent**

Rejoinder to the objection filed by The Utkal Chamber of Commerce & Industry Ltd. (UCCI) on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2026-27 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .

Reply to the points raised by the Ld. Objector are furnished hereunder.

2. Respondent's view /suggestion: Employee Expenses

TPNODL Reply: The licensee has estimated the employee expenses for the ensuing financial year basing on the actual employee cost for the first six months of the current financial year.

The employee expenses for the ensuing financial year have been estimated considering the impact of minimum wage revisions by around 20% to 28% under various categories of unskilled to Highly skilled, with effect from 18.7.2024.

The various factors considered for estimating the employee cost have been elaborated in the application of the licensee.

The details of manpower position alongwith year wise recruitment and retirement/attritions have been furnished before Hon'ble Commission for kind perusal.

3. **Respondent's view /suggestion: Hon'ble Commission may conduct a prudence check regarding A&G cost for each year. We submit that the Hon'ble Commission may allow a 7% increase in the earlier approved A&G Expenses for FY 2026-27 or actual A&G Expenses or which ever is lower.**

TPNODL Reply: The details of the A&G expenses incurred and the justification against the estimated cost components have been elaborated in the application of the licensee. The revision in minimum wages with effect from 18.7.24 has impacted the Metering, Billing and collection expenses by around 25% which constitutes a major component of A&G expenses. The above factor along with the normal escalations have been considered while estimating the A&G expenses for the ensuing financial year.

4. **Respondent's view /suggestion: Depreciation should not be allowed to be recovered on assets created out of Govt. grants irrespective of whether the corresponding grant is transferred to the distribution licensee or not. The depreciation cost proposed by TPNODL for FY 2025-26.**

TPNODL Reply: Section 3.8 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations,2022 stipulates the method of calculation of depreciation. In line with the provisions of the regulation, the depreciation calculation has been done and the details have been submitted in the application of the licensee which may please be referred.

5. **Respondent's view /suggestion: That TPNODL has projected Repair and Maintenance Expenses at Rs.318 Crs for FY 27 against Rs.252.66Crs as approved by Commission to be spent during FY 25-26 ...**

TPNODL Reply: : In response to the contention made by the Ld. Objector against the R&M expenses of the licensee, it is to clarify that the expenses towards Uniform for Business Associates, Enforcement, dehooking have not been considered under R&M .

The licensee has furnished projection of opening Gross Fixed Asset considering the assets transferred from various schemes, the assets capitalised as per the norms fixed by Hon'ble Commission in the Tariff Regulation. Detailed break-up of the assets along with the projected expenses have been furnished with justification against each projection has been submitted in the application of the licensee.

6. Respondent's view /suggestion: Revenue Requirement

TPNODL Reply: The licensee has projected the Revenue Requirement of Rs. 4956.46 Crs. projecting each of cost component observing the norms fixed by Hon'ble Commission in the Tariff Regulation, detailed break-up and justification of each has been furnished in the ARR application of the licensee.

7. Respondent's view /suggestion: DISCOM should present a detailed sales estimate for each consumer classification to Hon'ble OERC for approval. DISCOM has only provided voltage –wise sales which violates Regulation 5.3.4 of OERC Wheeling & RST Regulations, 2022.

TPNODL Reply: The licensee has furnished the voltage wise, category wise -number of consumers, consumption and load for the previous financial year, for first six months of the current financial year and the projection for the ensuing financial year alongwith the corresponding loss levels and the total power input requirement in the Tariff Format T-1.

Under T2 and T3, for domestic and commercial category of consumers, load wise slab wise actual consumption for the previous financial year and first six months of the current financial years are furnished. Under T5, load-wise consumption details of Irrigation & Agricultural Consumers, Allied Agricultural Activities & Allied Agro-Industrial Activities consumers have been furnished.

Under T9, month-wise consumption of EHT /HT consumers with load more than 1MVA has been furnished in addition to that details upto January also submitted before Hon'ble Commission.

Under performance format P8, month-wise details of Maximum demand individual consumer-wise for consumers with load more than 110KVA have been furnished.

Under, Performance Format P9, consumer-wise month wise consumption details for load more than 110KVA have been furnished for the previous financial year as well as for the first six months of the current financial year. Consumer wise details as required under the ARR Tariff as well as Performance formats is possible only because the licensee maintains robust database of all consumers with desired particulars in adherence to the provisions of Regulation 5.3.4 of OERC Tariff Regulation,2022.

The contention of the Ld. Objector that the DISCOM has failed to adhere to the requirement is not correct.

8. Respondent's view /suggestion: Regulation 2.14.2 of OERC Tariff Regulation , 2022 mandates that Hon'ble OERC shall treat the profit beyond approved return as 1/3rd to

be declared as dividend, 1/3rd to be returned to the consumers by way of reduction in consumer bills as rebate and 1/3rd as Tariff balancing reserve.

TPNODL Reply: Hon'ble Commission while disposing the truing up application, treats the profit on account of improved performance in adherence to regulation 2.14.2 of Tariff Regulations.

9. **Respondent's view /suggestion:** In 2019-20, when distribution licensee were not privatised, the distribution losses were 23.12%(TPCODL), 13.19%(TPNODL), 18.73%(TPWODL) and 23.07%(TPSODL). However, after spending huge CAPEX and OPEX, the distribution loss of Tata Power DISCOMs is not able to match the level of earlier utilities.

TPNODL Reply: In response to the point raised by the Ld. Objector, it is pertinent to mention here that, after taking over the distribution business, **1,64,285** numbers of untraceable consumers were taken out from the active directory of billing database, on physical site verification, whose billing was continuing for years without any actual whereabouts of those consumers. Further, it will not be out of place to mention here that, by March,2025, the provisional billing and average billing percentage have been brought down to less than 1%. The licensee has also implemented OCR based meter reading technology, wherein by the help of Integrated Mobile application, the meter reading is auto scanned to eliminate reading errors /table readings. The T&D loss level in TPNODL jurisdiction is 12.46% by FY 25.

Vesting order of the utility was issued by Hon'ble Commission after hearing the parties namely NESCO Utility, TPCL, GRIDCO, OPTCL and Government of Odisha. Government of Odisha is the elected representation of the peoples of the State and hence the representation of interest of the peoples of the state has already been taken into consideration. However, no review petition was filed before Hon'ble Commission on any of its provisions neither it was challenged and hence it has attended its finality.

In the Vesting order of TPNODL, Hon'ble Commission has fixed AT&C loss reduction trajectory to reduce the AT&C loss from 25.17% to 9.5% in first ten years of operation, that is reduction target of 15.67%.

In first five years of operation, the licensee has been able to reduce the AT&C loss upto 12.64% that is by 12.53% which can be compared with any period of operation of the DISCOM in the span of last two decades.

Further, this will not be out of place to mention here that, TPNODL has been ranked 9th Best DISCOM in the 14th Annual Integrated Rating & Ranking by Ministry of Power.

Therefore, the contention of the objector for reviewing the Vesting order is devoid of any merit and hence may be rejected.

- 10. Respondent's view /suggestion:** President Smt Droupodi Murmu's visit on 6th May 2023

TPNODL Reply: The Ld. objector has raised the issue of power tripping from 11.56am to 12.05pm in the auditorium during Hon'ble President's speech on dated 6th May 2023. This is to inform that, IDCO was the nominated agency for power supply arrangement inside the university premises and the entire load was on the 500KVA DG supplied by IDCO during the function. The supply network of TPNODL as well as the DG provided by TPNODL were on standby mode. Further, the internal power supply of the function was not done under the supervision of TPNODL. IDCO was the nominated agency for power supply arrangement as mentioned above.

- 11. Respondent's view /suggestion:** Industrial Tariff for EHT Consumers-Although EHT loads are contributing significantly to overall reduction of AT&C losses and stability of GRID, the tariff for EHT loads are increasing year over year.

TPNODL Reply: Hon'ble Commission introduced kVAh based billing in the Tariff order for the financial year FY 2021-22 which became effective from 4.4.2021. Hon'ble Commission introduced KVAh billing as it is having the inherent mechanism to incentivize /penalize the consumers according to their power factor. The prime objective of Hon'ble Commission for introduction of kVAh billing was to encourage the consumers to maintain near unity power factor, to achieve loss reduction, improve system stability, power quality and improve voltage profile. **There has been no increase in the tariff applicable for HT/EHT consumers since 2021-22.**

The licensee has also proposed a number of rationalisation measures for EHT/HT industrial consumers in its ARR application from year to year.

- 12. Respondent's view /suggestion:** Distribution loss – DISCOMs have themselves admitted that the distribution loss at 33KV and 11KV has been reduced to 3.5% to 4.5%. Hence, Hon'ble OERC should consider normative HT loss at 3%.

TPNODL Reply: TPNODL has achieved 100% metering coverage at key points of the distribution network, like all 33 kV feeders, 250 incomer feeders at 33 kV Primary Substations (PSS) and all 11kV feeders.

TPNODL also aims to identify losses at the 11 kV feeder level by comparing feeder input energy with the aggregated energy measured through DT meters. Accurate computation of 11 kV losses requires DT metering at all transformers connected to the feeder. TPNODL has already installed DT meters for transformers of 100 kVA and above, and the installation of meters for 63 kVA DTs is currently in progress.

As complete DT metering is yet to be achieved, precise computation of 11 kV feeder losses based on metered data is presently not feasible.

In view of the above, TPNODL respectfully submits that the Hon'ble Commission may continue to consider the normative HT loss of 8% for tariff and regulatory purposes.

13. Respondent's view /suggestion: Need for consumer category Provision for Mega steel Plant

TPNODL Reply: As suggested by the Ld objector, incentive cannot be offered on more than 20% load factor, as the very motive of load factor incentive is to encourage higher drawl from the licensee, so that optimum utilisation of the corridor reserved for the required quantum can be done and at the same time revenue as projected by the licensee can be met.

Further, all the industrial consumers drawing power at EHT level are allowed a rebate of 20 paisa per unit (KVAh) for all units consumed in excess of 80% load factor

14. Respondent's view /suggestion: Proposal for Load factor Rebate: ... For x% increase in load factor over and above 60%, the rebate shall be allowed at x%....

TPNODL Reply : The method suggested by the Ld. Objector has not been substantiated with any justification for the method of incentive suggested and hence is devoid of any merit. The very motive of providing incentive is to encourage consumers to drawl more power from the incumbent distribution licensee and the tariff setting is done by the Hon'ble Commission keeping in view the entire cross subsidy mechanism and the mandate of the National Electricity Policy and Tariff Policy

15. Respondent's view /suggestion: Open Access and Other Related Issues

- (i) No CSS during major breakdown
- (ii) DISCOM should not mandate an annual tentative drawl plan
- (iii) Open Access should not be limited to Contract Demand
- (iv) CSS to be limited within 20% of the applicable tariff

TPNODL Reply: In response to the contentions made by the Ld. objector, the following points are placed –

- (i) The open access consumers embedded in the distribution system will not be able to avail power supply through open access during major breakdown because the power evacuating corridor will be under breakdown. Only the open access consumer who is availing power supply through a dedicated line from its own CGP may avail power during major breakdown of the network of distribution licensee, however, such cases are not entitled for levy of CSS.

(ii) DISCOM is mandated under Licence condition and also under OERC (Framework for Resource Adequacy) Regulation, 2024 to prepare and submit short term, medium term and Long-Term load forecasting which plays the most crucial role in planning power procurement and system network adequacy as well. As the open access consumer is an embedded consumer of the distribution licensee, the annual drawl plan of the consumer is an inseparable part of the licensee's drawl plan and hence cannot be dispensed with.

(iii) In case of an open access consumer drawing open access power through the common network of the distribution licensee, the network loading and adequacy is accessed and planned majorly based on the contract demand of the connected consumers as it indicates its reserved entitlement irrespective of its drawl.

(iv) As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within +20% of the ACoS. If table no. 36 of the RST Order FY 25-26 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within +20% of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

The computed cross subsidy surcharge for DISCOMs have been given in table -38 of para 156 of RST order FY 26. In view of the mandate of Electricity Act'2003 under section 42, the cross-subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-38 of RST order is reproduced hereunder:

Table – 38
Computed Surcharge for Open Access for Consumer 1MW and above for FY 2025-26 (paise / unit)

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	231.40	186.40	161.40	356.40
Surcharge for HT Consumer	106.23	3.45	28.18	170.58

However, the approved charges for FY 26 as given under table 39 are done at 70% of the computed values. The table no. 39 is reproduced hereunder:

Table – 39
Leivable Cross Subsidy Surcharge, Wheeling Charge and Transmission Charge for Open Access Consumer(s) of 1MW and above for FY2025-26

Name of the licensee	Cross Subsidy Surcharge (P/U)		Wheeling Charge P/U applicable to HT Consumers only	Transmission Charges for Open Access Customer (applicable for HT & EHT Consumers)
	EHT	HT		
TPCODL	161.98	74.36	102.55	The Open Access customer

TPNODL	130.48	2.41	156.41	availing Open Access shall pay Rs.6120/MW-day (Rs.255/MWh) as transmission charges.
TPWODL	112.98	19.73	104.51	
TPSODL	249.48	119.41	174.06	

16. Respondent's view /suggestion: Re-introduction of Delayed Payment Surcharge

TPNODL Reply: The observation of Hon'ble Commission for withdrawal of this DPS provision was the levy of DPS will act as a hurdle for small consumers in resolving their billing dispute and the revenue impact is also not substantial.

However, it will be pertinent to mention here that the DPS provision will persuade the small consumers to pay in time. It will instil the culture of payment within due date in them. The aim of the licensee is not to levy DPS to those small consumers, but to regulate their payment habit with imposition of a deterrent. Without any deterrent, there is no binding on such consumers to pay the electricity bill in time.

17. Respondent's view /suggestion: Rebate related issue

TPNODL Reply:

- (i) In the FY 2024-25 an average 428156 numbers of consumers per month have availed 4% digital rebate.
- (ii) The details of consumer availed e-bill facility in the FY 2024-25 & FY 2025-26(upto Dec'25) is furnished in below table:

No. of Consumers Availing e-bill Facility in the FY 2024-25 & FY 2025-26	
Year	Nos of Consumer
FY 2024-25	2148
FY 2025-26 upto Dec-25	13016

- (iii) In ARR application for FY 2026-27, in Tariff rationalisation measures para-9.17 suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

18. Respondent's view /suggestion: Summary of Interim Proposal approved vide order dated 22.07.2025-

- (i) The details of consumers availed power supply under the scheme to be submitted by DISCOMs
- (ii) Special tariff of Rs.4.30per kVAh should be extended to all types of industries, with or without CGP, without any condition of assured consumption or linkage to load factor

TPNODL Reply:

- (i) As correctly cited by the Ld. Objector, Hon'ble Commission had directed GRIDCO/DISCOMs to submit an efficacy report after two months, based on which Hon'ble Commission may revisit the scheme. If the Ld. objector will refer to the interim direction given by Hon'ble Commission in the matter on 14.10.2025 after hearing the matter, Hon'ble Commission had directed GRIDCO/DISCOMs to furnish detailed report and the licensee has submitted before Hon'ble Commission month wise consumer wise details.
- (ii) The Ld. Objector will agree that there is a methodology in which the tariff applicable for a particular category is decided. Hon'ble Commission decides the tariff applicable examining all aspects.

19. Respondent's view /suggestion: ToD Benefit & Surcharge

TPNODL Reply: ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kw and with smart meters except consumer under Agriculture tariff. The eligible consumers will get a ToD rebate @20Paise per unit for energy consumed during solar hours and a surcharge of 30 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak to no-peak/solar hours. To encourage balancing of drawl, the licensee has proposed to increase ToD surcharge which will dissuade the consumers from drawing in peak hours.

20. Respondent's view /suggestion: Contract Demand related issues

TPNODL Reply: It is pertinent to mention here that the entire operating cost of DISCOMs such as R&M, A&G, employee cost, depreciation, financing cost, ROE are almost fixed in nature. In ideal scenario, fixed cost of Distribution Company should be recovered through demand charges/monthly minimum fixed charges levied based on sanctioned load/contract demand or maximum demand of the consumer whichever is higher. In the current tariff structure the DISCOMs are recovering hardly within 10% of their total fixed cost through fixed charges, whereas in other states these percentiles is between 15-20%.

Hence, any reduction in demand charge will adversely affect the revenue structure.

21. Respondent's view /suggestion: Allocation of Green Power to industries having CGP through GTP mechanism

TPNODL Reply: The proposal of the licensee for allocating green power to industries having CGP may be considered suitably.

22. Respondent's view /suggestion: Green Tariff for Sale of Renewable Power through DISCOMS

TPNODL Reply: TPNODL has proposed in the ARR application 2026-27 to determine a separate Green Tariff applicable for renewable-energy sales under this scheme as per clause 3 (c) of Regulation 5 (chapter 1 of the OERC (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023. The tariff shall be cost-reflective and an appropriate component for RCO compliance.

23. **Respondent's view /suggestion:** Bill Revision issue- Extend kVAh billing to LT consumers, Bill revision for past period

TPNODL Reply: KVAh billing is having the inherent mechanism to incentivize /penalize the consumers according to their power factor. The prime objective for proposing kVAh billing is to encourage the consumers to maintain near unity power factor, to achieve loss reduction, improve system stability, power quality and improve voltage profile.

TPNODL is strictly following the regulations-155 & 157 prescribed in the Supply code 2019 for bill revisions. However, to address the consumer's concerns received, TPNODL has requested the Hon'ble Commission to permit/allow the downward bill revision beyond 2 years.

As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within $\pm 20\%$ of the ACoS. If table no. 25 of the RST Order FY 24-25 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within $\pm 20\%$ of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

24. **Respondent's view /suggestion:** Installation of Smart Meter and abolition of Meter Rent

TPNODL Reply:- Hon'ble Commission under para 99 (2) vide Retail Supply Tariff Order dated 24.03.,2025 pronounced direction regarding installation of Smart Meters, the relevant extract is reproduced hereunder:

.....
In order to reduce the tariff burden on the consumers due to proposed CAPEX Plan of DISCOMs for smart metering, the State Government intends to provide capital subsidy/grant to the DISCOMs, in a phased manner for consumers with CD up to and including 2 kW towards installation of smart meters. Meter rent from such consumers (with CD up to 2 kW) may not be recovered to encourage speedy implementation of smart metering in the state.
.....

In compliance to the direction of the Hon'ble, Licensee has stopped recovering meter rent against installation of smart meters for consumers up to 2 kW Contract Demands with effect from 1st April' 2025.

25. Respondent's view /suggestion: Amnesty scheme for clearance of Arrears of Pre-Vesting period.

TPNODL Reply:- The Respondent Discom would like to submit before the Hon'ble Commission that the Petitioner along with the Discoms have already submitted the application for approval of the AAC scheme on 02.01.2026 for kind consideration and approval of the Commission.

26. Respondent's view /suggestion: Providing Connection to Green Hydrogen Projects under separate metering arrangement

TPNODL Reply: In view of Govt. of Odisha target to achieve green hydrogen production target by 2030, this is to bring into the kind information of the Hon'ble Commission that may more industries will be setting up the Green Hydrogen Production facility in the state. Further, to provide the smooth connectivity approval, separate metering arrangement etc. under the preview of applicable regulations by Distribution Licensee to intended industries seeking for setting up Green Hydrogen facility in the State of Odisha, Discoms humbly prays before Hon'ble Commission to issue necessary direction and frame a procedural guideline in this regard.

27. Respondent's view /suggestion: Re-structuring of ToD based RST

TPNODL Reply: With regards to the Ld. Objector proposal for ToD based RST, this is to submit that with present Retail Supply tariff, approximately 2000 MUs (1028 MU upto Sep-25) is expected to be drawn by EHT/HT consumers through Open Access during FY 2025-26. Further, it has been noticed that drawl through OA mechanism is in increasing trends (i.e. 1270 MU in FY 23-24, 1626 MU in FY 24-25 and appx. 2000 MU in FY 25-26 which is adversely affecting the sales and sales mix as well. With any further increase in energy charges to the proposed Rs. 6.20 per kVAh, it is apprehended that major chunk of EHT sales may opt out for Open Access.

28. Respondent's view /suggestion: Charging of leading power factor while billing to EHT Consumers i.e. (Lead+Lag) kVAh Billing

TPNODL Reply: In our ARR application submission under Point no.-9.8 of Tariff rationalisation measures suggested have been well elaborated with justifications in the application of the licensee which may please be referred.

29. Respondent's view /suggestion: Security Deposit related issue

TPNODL Reply:

(i) The relevant extract on payment of SD from regulation 52(iv) of OERC Distribution (Condition of Supply) code, 2019 is provided hereunder:

“The security deposit shall be paid in cash or by bank draft or by electronic/digital payment. It may also be paid by cheque or by credit card, where specifically allowed by the licensee/supplier”.

Further, regulation provides for interest on the security deposit also. The above provision makes the required amount available with the licensee, which can be utilised without any additional time involvement, in case it will be required to adjust the security deposit. This ensures payment security to the licensee. This matter has already been addressed by Hon'ble Commission in previous Tariff proceedings.

- (ii) The provision of delayed payment surcharge is not to enrich the licensee by 7%-8%, but the ensure payment security to the licensee. The very aim of the provision is to develop the culture of payment within the stipulated time among the consumers. Because of this provision, the consumer will be persuaded to make payment within the stipulated time. Therefore, the apprehension of the Ld Objector regarding enriching the licensee by this extra amount is baseless. The proposal of the objector of paying interest on additional SD, even without receiving SD physically is totally not tenable. Interest has been allowed by Hon'ble Commission as the money is retained by the licensee to ensure the payment security. Interest can never be allowed to consumer before receiving SD physically.
- (iii) The Supervision charges is collected from the consumer as per Regulation-27 & 29 and estimate of capital cost is calculated as per the Appendix-1 of the Supply code-2019.

30. Respondent's view /suggestion: Action taken report furnished by licensee.

TPNODL Reply:

- (i) The status of PM Surya Ghar Scheme, Kusum-A & Kusum-C till Sept-25 is furnished below.

Following is the status of PM Surya Ghar Scheme under TPNODL as on 30.09.2025:

Sr. No.	Particulars	UoM	Quantity
1.	Total no. installation	Nos	2504
2.	Total Capacity	MW	7.90
3.	Total Energy Generated	MU	3.62

- (A) **Progress under PM KUSUM-A:** Under PM KUSUM –A , PPA executed for four no. of projects with allotted capacity 2MW each. Out of the above, 11KV line work

is under execution in the project under RED, Rairangpur. LOA has been issued for another four numbers of projects under AED, Anandpur, KuED, Kuakhia, BED, Balasore and RED, Rairangpur.

- (B) Progress under PM KUSUM-C:** PPA executed for three numbers of projects under JOED, Joda, JED, Jaleswar and KUED, Kuakhia for a total capacity of 2.69MW as on September ,2025.
- (ii) TPNODL has submitted the nominated SAC member for five district districts under its licensed jurisdiction to the Hon'ble Commission on 15.01.2026.

31. Respondent's view /suggestion: Other Issues

TPNODL Reply:

- (i) Allegation of the Objector regarding increase in power outage during TATA Power tenure is also not correct. Rather power outage during TATA Power tenure is reduced substantially and also decreasing year by year. The power supply hours have been 23:11 hrs in average during 2024-25. This can be observed from the SAIDI (System Average Interruption Duration Index) and SAIFI (System Average Interruption Frequency Index) are given in below table.

FY	SAIDI (Hrs)	SAIFI (Nos)
2021-22	455.51	680
2022-23	378.39	621
2023-24	348.95	576
2024-25	324.31	526

- (ii) The Licensee adheres to the rules and regulation and the provisions of the Act. The licensee will comply to every guideline that will be issued by Hon'ble Commission. Therefore allegation of Ld. Objector that Discoms are invoking Section 126 of the Act to book consumer and disconnections without the issuance of provisional assessments is not correct. If such instant has taken place Ld. Objector can bring to the Discoms notice.
- (iii) The Hon'ble Commission may give the necessary direction for course of hearing in GRF and Ombudsman be conducted in Hybrid Mode and regularisation of Contractual staff in Hon'ble OERC office and Ombudsman office. The Licensee will adhere with direction of the Hon'ble Commission.

- (iv) Licensee never allows any telecom company to lay their cables through the electric poles unauthorizedly which creates un-safe conditions. Any rental income generated from the telecom company is accounted properly as per the OERC tariff regulation 2022.
 - (v) As per section 135 of the Companies Act, 2013, it is mandatory for the companies to comply with the CSR provisions and are required to spend a minimum of 2% of their net profit over the preceding three years as CSR. Board of TPNODL has formed a CSR Committee which is empowered to direct and approve areas where CSR budget can be spent in order to maximise the benefit to society in Odisha. Need assessment through a structured process, being done to identify the areas of importance and the same is placed before the CSR committee for their perusal and approval. This ensures the channelizing the benefit to the section of society which need CSR. All the CSR expenditure are being placed before the CSR committee meeting and being discussed at length and comparison also done against the approved budget. Impact assessment of the CSR expenditure society is also undertaken. Company has a robust system of procurement to pay process and thereby making every expenditure to undergo a maker and checker process. Also, Company has robust internal audit system being conducted by renowned firm to ensure the reasonableness and governance built around the process and all the expenditure are subjected to their audit scope.
32. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

Cc to: The Utkal Chamber of Commerce & Industry Ltd.(UCCI), N-6, IRC Village, Nayapalli, Bhubaneswar-751015, pwrch@gmail.com, Phone-9437155337

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**

AND

IN THE MATTER OF: GRIDCO Limited, Janpath,
Bhubaneswar-751022.

.....**Respondent**

Rejoinder to the objection filed by M/ GRIDCO Limited, on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order of Hon'ble Commission. Para wise reply to the points raised by the respondent on the ARR application of the licensee are furnished hereunder.

2. **Respondent's view /suggestion: Energy Sales Growth**

TPNODL Reply: TPNODL has analysed and relied on the past trend of consumption pattern for last ten years i.e. from FY 2015-2016 to FY 2024-25 & actual sales data for the first six months of FY 2025-26 and the load growth in pipeline.

The energy sales projections for FY 2026–27 are based on a comprehensive assessment of consumer addition, sanctioned and upcoming loads, growth in HT/EHT segments, urbanization, and increasing per-consumer consumption and not on short-term growth observed during Apr–Sep FY 2025–26. Partial-year data does not capture seasonality, demand, or the impact of new connections and load ramp-up and therefore cannot be the sole basis for annual projections.

TPNODL further submits that the Hon'ble Commission has already approved an energy sales trajectory for TPNODL up to FY 2027–28 under the Business Plan, and the projections for FY 2026–27 are broadly aligned with the approved trajectory and system growth outlook. Further, the energy sales are subject to true-up based on actuals.

Hon'ble Commission in the Business plan approval has approved 7822.85 MU sales for FY 2026-27. TPNODL has estimated 7801.67MU sales for the ensuing year FY 2026-27, considering the present scenario. The variation is only 0.27%.

3. Respondent's view /suggestion: Simultaneous Maximum Demand (SMD)

TPNODL Reply: Hon'ble Commission has approved SMD of 1622 MVA for TPNODL during FY 2025-26. For ensuing year licensee has projected 1641 MVA which is a nominal growth of 1.17% over approved SMD of Hon'ble Commission in FY 26.

The existing system effectively accounts for various operational realities including seasonal variations, festival-related demand spikes, industrial production cycles, and agricultural demand patterns. The yearly calculation provides essential operational flexibility while allowing DISCOMs to better manage their power distribution and maintenance schedules without unnecessary financial burdens. Therefore, there should not be any change in the existing SMD framework.

The DISCOMs maintain a strict compliance with approved SMD limits through regular SCADA monitoring and comprehensive load management strategies. Switching to a monthly SMD system would create significant operational challenges, including increased complexity in power demand planning, additional financial burdens from monthly reconciliation, and reduced flexibility in managing seasonal variations.

The extract from the BSP Order dated 24.03.2025 showing the existing framework is provided below for the ease of reference.

315. After examining the proposal of GRIDCO, the Commission decided that there shall not be any levy of separate maximum demand charges upto the permitted SMD in a month for the distribution licensee(s) for the FY 2025-26. Permitted SMD would mean monthly SMD recorded upto maximum of 5% over the approved SMD in the current tariff order to take care of monthly variations. Any excess drawl over the permitted SMD will have to be paid by the Distribution Licensee(s) @ Rs.250 per kVA per month, subject to the condition that the annual average SMD shall be limited to the SMD approved in the order. This is essential for proper planning of load and ensuring system stability. In case the annual average SMD is more than the approved SMD, then over drawl quantum shall attract the penalty @Rs.250 per kVA per month, notwithstanding the fact that a licensee might have paid the SMD charges for exceeding the permitted SMD in any month. (Emphasis Supplied)

Further, the Hon'ble Commission has already notified the OERC (Framework for Resource Adequacy) Regulations, 2024 in February 2025. The Discoms have submitted the Short/Medium/Long Term Forecasting information to SLDC in compliance with the

aforesaid Regulations and are in regular interaction with the SLDC for further improvement. Further, the Hon'ble Commission has notified the draft OERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2025 in July 2025. The Discoms have already submitted their suggestions/views on the same in September 2025 highlighting some issues like Lack of proper infrastructure, exclusion of the HT/EHT consumers from the purview, problem like imbalance equation etc.

In view of the above, we pray before the Commission to continue the existing practice.

4. Respondent's view /suggestion: Peak Hour Demand Projection & ToD / Solar Hour Utilization

TPNODL Reply: The Discoms is trying to increase the Solar hour consumption by proposing in its ARR petition for increase in ToD Surcharge by 10 paise per unit (**Enhancement of ToD benefit in solar hour and rationalization of ToD Surcharge**) or as deemed appropriate by the Hon'ble Commission so that we can have better economics from supply side management and shift of demand from non-solar hours to solar hours that will reduce distress sale of surplus power during solar hours by GRIDCO. It is requested before Hon'ble commission to approve the same proposal.

5. Respondent's view /suggestion: Employee Cost and Manpower Strength

TPNODL Reply: As on 31.03 2025, TPNODL had 1845 nos of OSCR employees along with 1272 nos of CTC employees. Though Hon'ble Commission has not approved any recruitment for FY 2025-26, considering critical vacancies, succession planning and attritions 29 nos of new employees have been recruited, 14 nos of employees transferred from Tata power groups with 84 nos. of attrition/ superannuation during FY 2025-26. Considering the approved ratio by Hon'ble Commission, 41 nos of man power reduction in FY 2025-26, the actual manpower during FY 2025-26 is 3076 (as on Nov-25).

TPNODL serves a consumer base of around 2.04 million and in order to serve this consumer base over the vast geography, presently 3076 nos (as on Nov'25) of manpower are working on the role of TPNODL, which is at the ratio of 1.52. In comparison to FY 2024-25, the ratio in the current FY has been reduced from 1.52 to 1.51.

The causes of the increased ratio are as follows:

83 candidates were appointed as Operation Trainee in H1 of FY 2024-25 to address the growing Union unrest under the intervention of District Administration, for which the number of recruitments during FY 24-25 went beyond the approval of Hon'ble Commission.

Details furnished in the following section:

From the Industrial relations point of view, the year FY 2023-24 & FY 2024-25 had been a tough year for TPNODL as the legacy BA employees engaged with NESCO utility before the takeover of Tata Power and post, have raised grievances related to their regularization, as they had been working with the utility for more than 10-15 years. The IR situation was alarming and even Dharna staged by Unions in front of the TPNODL Corporate Office, Balasore which lasted for more than six (6) months. It had disrupted work at few of the locations as the demand intensified. Under the intervention of the then District Collector, Balasore and Hon'ble MP (Lok Sabha), Balasore constituency on dated 16th August, 2022, Management agreed to launch Policy to provide opportunity to the qualified and long-serving employees of Business Associate working at TPNODL / NESCO.

About 83 candidates were found suitable for appointment and thus has been appointed as Operation Trainee in CTC Structure in H1 of FY 2024-25.

Due to the above-mentioned reasons, the new employees' addition during FY 2024-25 has exceeded the approved manpower by Hon'ble Commission, which the licensee most humbly prays before Hon'ble Commission to kindly approve and the exceeded man power shall be adjusted in subsequent year(s) by the year 2028.

Further, increase in outsource manpower cost with respect to approval in the Truing Application for FY 2024-25 is mainly due to the impact of minimum wage revisions by around 20% to 28% under various categories of unskilled to Highly skilled, with effect from 18.7.2024.

Hon'ble Commission under para 137 of the RST order FY 24-25 has observed that the statutory revisions towards minimum wages during the year will be considered by Hon'ble Commission during truing up or FY 2024-25. Para 137 is reproduced hereunder for ready reference-

137. The Commission further observes that in case of any statutory revision by the Government towards minimum wages during the year, the Commission shall take into consideration such wage revision expenses during the truing up for FY 2024-25.

Therefore, Hon'ble Commission is most humbly requested to consider the impact of revision of minimum wages alongwith the wage board revision arrear impact

6. Respondent's view /suggestion: R&M, AMC & Reliability Cost (FY 2026-27)

TPNODL Reply: TPNODL respectfully submits that the Repair & Maintenance (R&M) expenses projected for FY 2026-27 have been computed strictly in line with the provisions of the OERC Tariff Regulations, 2022, based on the approved Gross Fixed Assets (GFA) and assets maintained by TPNODL.

With regard to assets under various Government schemes such as BGJY, DDUGJY, RGGVY, and ODSSP, TPNODL submits that R&M is being incurred as the custodian

and operator of the network, irrespective of the source of funding, to ensure uninterrupted supply to consumers. The asset base considered has been derived from the available Fixed Asset Registers and reconciliation records, and any asset subsequently transferred, capitalized, or excluded shall be appropriately adjusted during true-up, subject to audit and prudence check by the Hon'ble Commission. Claims relating to assets not finally reconciled are therefore provisional and subject to verification.

7. Respondent's view /suggestion: A&G Cost

TPNODL Reply: As per the terms of Tariff Regulation, 2022 Hon'ble Commission approves the A&G expenditure of the Licensee wherein the provision of escalation of 7% hike over previous year approval along with additional expenses (subject to prudence check) towards improvement in performance for special measures to be undertaken are permitted. TPNODL in its ARR petition for FY 26-27 had prayed that the Hon'ble Commission approve the A&G expenses for FY 26-27, considering historical trends, the prevailing inflation scenario, and the Licensee's additional requirements in a prudent manner.

Billing and collection expenses are generally classified as controllable. A portion of these expenses is influenced by factors beyond the direct control of DISCOM, including statutory revisions in wages and labor-related costs, expansion of the consumer base, enhanced service quality and consumer protection obligations, deployment of advanced metering and digital billing systems, strengthening of cyber security & IT infrastructure, and overall inflationary trends. Further, measures undertaken to improve billing efficiency, strengthen collection efficiency, reduce AT&C losses and enhance consumer grievance redressal may entail incremental expenditure in the initial years, even though they contribute to sustained operational efficiency and long-term cost optimization. TPNODL therefore submits that reasonably incurred increases in billing and collection expenses, undertaken in the interest of reliable, transparent and consumer-centric distribution services, merit due consideration by the Hon'ble Commission.

With respect to segregation between the CAPEX & OPEX, it is submitted that the Licensee considers only the OPEX items while claiming the A&G expenses. Any CAPEX related costs are taken into consideration in the CAPEX DPR filed before the Hon'ble Commission. Further, the Hon'ble Commission has come up with a draft CAPEX Regulations pending for comments, which when comes into force will allow the DISCOM to bifurcate costs on the basis of CAPEX & OPEX items.

8. Respondent's view /suggestion: Provision for Bad & Doubtful Debts

TPNODL Reply: It is submitted that the Licensee has considered/ computed the above costs on normative basis in accordance with the OERC Tariff Regulations, 2022. Since

determination of tariff is the sole prerogative of the Hon'ble Commission, the Licensee has projected the costs keeping in view the interests of both the consumers as well as the DISCOMs.

9. Respondent's view /suggestion: Interest Expenses

TPNODL Reply: The Hon'ble Commission has the sole prerogative on Tariff determination and Tariff design. Interest expenses are projected per OERC Distribution Tariff Regulations 2022: on security deposits at Commission-approved rates (6.50% FY25-26), The Hon'ble Commission may kindly have a prudence review while approving the ARR Petition, ensuring regulatory compliance.

10. Respondent's view /suggestion: Capital Expenditures

TPNODL Reply: TPNODL respectfully submits that the lower capitalization under Government-funded schemes compared to own CAPEX is mainly due to the implementation structure of such schemes, which involves third-party execution, fund-release milestones, inspections and formal asset handover and reconciliation processes. TPNODL is continuously coordinating with the concerned agencies to expedite verification and transfer of assets for timely capitalization.

TPNODL further submits that the proposed major CAPEX interventions, including network reinforcement, technology adoption, PTR replacement, and IT systems, are based on system studies, load growth assessment, safety and reliability requirements, and loss-reduction. Further the detailed justification is already provided on our petition of the Capex Plan for FY-27 vide Case No. 81 of 2025, the same is pending with the Hon'ble Commission for approval. Capitalization and WIP tracking are being carried out strictly in line with OERC guidelines and Tariff Regulations and are subject to statutory audit and prudence check by the Hon'ble Commission. TPNODL welcomes such prudence review and submits that the proposed CAPEX is necessary and aligned with regulatory provisions and past Orders.

11. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

C.C. to: GRIDCO Limited, Janpath, Bhubaneswar-751022.

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 127/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.
.....**Applicant**

AND

IN THE MATTER OF: GRIDCO Ltd, Corporate Office, Janpath, Bhubaneswar-751022.
.....**Respondent**

**Rejoinder to the objection filed by GRIDCO Ltd on the LT Open Access Charges
Application filed by TPNODL for the FY 2026-27**

1. That, TPNODL has filed the LT Open Access Charges Application for the financial year 2026-27 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .

Reply to the points raised by the Ld. Objector are furnished hereunder.

2. Respondent's view /suggestion:

- (a) Nodal Agency under Open Access and Green Energy Open Access Framework
- (b) Non-Eligibility of LT Consumers under OERC (Terms and Conditions of Intra-State Open Access) Regulations,2020
- (c) Energy Accounting and Settlement Mechanism for LT Consumers under Green Open Access

TPNODL Reply:

- (a) The Discoms have filed this application for determination of LT Open Access Charges in compliance to the requirement of the OERC (Promotion of Renewable Energy through Green Open Access) Regulations 2023 (“Green Open Access Regulations,2023”) and in compliance to the directive of the Hon’ble Commission given in Tariff Order dated 24.03.2025. In our opinion, the detailed SoP as suggested by the respondent should be part /derivative of the Green Open Access Regulations,2023. As, in this regulation the Hon’ble Commission has already directed the nodal agency to formulate methodology/procedure for allocation of quantum of Green Energy power for banking (relevant extract given below), the Nodal agency, in our view, will be the most appropriate entity to formulate the detailed SoP as suggested by the respondent,

5. (b)

...

Provided further that a Nodal Agency designated by Government of Odisha shall formulate the methodology / procedure for allocation of quantum of Green Energy power for Banking to applicant (s) within 3 months of notification of these regulations and submit the same for information of the Commission.

In view of the above, the Hon'ble Commission may direct the Nodal agency to formulate the SoP as suggested by the respondent.

(b) Only Consumer having capacity 1 MW and above can avail open access under OERC (Terms and Conditions of Intra-State Open Access) Regulations 2020 (Please refer para 9 (3) of this regulation, extract given below). Cleary, a consumer with Capacity 1 MW and above cannot be a LT consumer as per existing OERC Supply Code,2019. Hence, the Hon'ble Commission has been approving the Open Access Charges for HT and EHT consumers only in the retail supply tariff order for Discoms.

9. Eligibility for Open Access and conditions to be satisfied

...

*3) Open access shall be **permissible** to the consumers seeking open access for a capacity of **1 MW and above**;* **(Emphasis Supplied)**

(c) It is submitted that under Green Open Access, there may be a scenario where multiple connections of a consumer would come together (as a single LT consumer having 100 kW of CD is very unlikely) for availing green open access. These separate connections may be situated at different physical location within a Discom and will be having separate consumer numbers. Hence the conventional mechanism of scheduling for individual consumers may be a challenge and also cumbersome particularly when the consumers are LT Consumers and large in number. Hence there may be a need for scheduling on "pre-agreed" allocation basis. The "Pre-agreed" allocation will have to be approved by the Discom and has to be applied to the Nodal Agency / Generation Source for the Energy Scheduled on Open Access. Such kind of allocation is also envisaged under Virtual Net Metering Arrangement.

In view of the above situation / scenario the settlement mechanism has been proposed by the petitioner, which the Hon'ble Commission may kindly review.

3. The, reply to the queries of the Hon'ble OERC regarding the LT Open Access Charges Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

Cc to: GRIDCO Ltd, Corporate Office, Janpath, Bhubaneswar-751022.

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**

AND

IN THE MATTER OF: Sri Prabhakar Dora, S/O-Bhaskar Rao Dora, 3rd Lane, Vidya Nagar, P/O/Dist-Rayagada-755001.

.....**Objector**

Rejoinder to the objection filed by Sri Prabhakar Dora against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27.

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the License of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order dated 25.3.2021 in Case No-9/2021 of Hon'ble Commission. The present application has been filed as per the provisions of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022.

Reply to the points raised by the Ld. Objector are furnished hereunder.

2. **Respondent's view/objection: Suggestion on various issue**

TPNODL Reply: The allegation of objector that no one is acknowledged/responded to the suggestion made by objector is not correct. In our reply to the objector for the FY 2025-26, we have responded to all concern of ld. Objector. However, we are replying once again to the valued concern/suggestion of ld. Objector as follows

i. **Procedure for payment of processing fees for different services.**

TPNODL Reply: A consumer can make a payment of processing fee for different services by logging in TPNODL official website, under 'Non-Energy bill payment' tab under Pay your bill, the payment can be done through different payment gateway like UPI, credit and debit cards.

ii. Deficiency in MO Bidyut Portal

TPNODL Reply: Licensee is committed for continuous improvement in MO Vidyut application as well as in other services as per consumers feedback. However, the objector is requested to bring the individual cases to the notice of the licensee for its speedy resolution.

iii. Procedure for proving Dump Report

TPNODL Reply: Dump report is provided on application of consumers supported with a receipt of fees of Rs 500.00.

iv. Convenient charges being taken by banks for online payments

TPNODL Reply: Under TPNODL, there is no convenient charge for UPI payment. In addition, there is no convenient charge for card payment through Bill desk, HDFC payment gateway and payment up to Rs 2000 through Paytm gateway. Convenient charges are there only in case of card payment above Rs 2000 through Paytm gateway.

v. Display of Bills and ledger of the consumer and download provision

TPNODL Reply: This facility is already been there under TPNODL area. The consumer under TPNODL can avail this facilitate by registering in My TATA power App and customer portal of TPNODL website.

vi. Digital Payment

TPNODL Reply: A consumer can pay Energy bill, Non-Energy bill in different digital mode of payment like UPI, Paytm, credit cards, debit cards etc.

vii. Notification of Service charges

TPNODL Reply: TPNODL claims all service charges as per rate prescribed in the Regulation.

viii. Notification for Designated Officer

TPNODL Reply: The Ld. Objector has pointed out that the licensee must notify designated officers for carrying out various activities, so that consumer can approach the concerned officer depending on the type of concern.

The licensee has started operation with effect from 01.04.2021 and since then this has been a continuous effort of the licensee to streamline each and every activity involved in its business. Accordingly, procedural set up have been restructured and responsibility assigned to the concerned officers.

However, it is pertinent to mention here that, if a number of officers will be notified as responsible officers for information of the general public for their various types of concerns, that will complicate the process for the consumer. Therefore, to make the process consumer friendly, the application for new service connection are being received online, up to 5KW in Mo Bidyut portal and for 3phase in the licensee website. After receiving the application, it is being dealt and disposed as per the internal guideline set for the process with involvement of various teams like CMG, MMG, KCG, NEG, etc. Further, the complaint registration has also been made online and also through various customer touch points which are also registered in Customer Redressal Module and redirected to the concerned officer /person and redressed as per the procedure set for the same. The licensee is operating 711 nos. of fuse call centers, 139nos. of Anubhav Kendras keeping in view the convenience of consumer reach.

ix. Display of Official Phone no/E-mail address instead of personal E-mail ID & Phone No.

TPNODL Reply: On TPNODL Website, contact details of Circle heads, Division heads and contact number for various services have been provided through which consumer can reach us.

x. Lack of uniform procedure as to the terms while issuing permission for supply. No standard format is existing. Standard format for estimate and permission needs to be designed and adhered all over.

TPNODL Reply: Now new connection and other complaint under TPNODL area are being addressed through online mode. Where, except estimate, other activities are standardized. To standardize estimated amount, TPNODL has submitted its proposal before Hon'ble Commission in the present ARR.

xi. Duties and Responsibilities to Officer and staff not clearly defined or assigned

TPNODL Reply: As explained under previous para, responsibilities of Officer and staff has been clearly defined and assigned.

xii. Notification of Designated Officer responsible for giving LC (Line Clearance) in line with ELBO regulations

TPNODL Reply: For giving Line clearance, the licensee has designed a Permit to Work guideline with an aim to make the system accident free. In case of any line clearance is required to work on live line, as per the set guideline, the person needs to take Line clearance from the central Power System Control Centre observing all the set procedures. Only central Power System Control Centre issues Line Clearance that is Permit to work on live line.

Similarly, while returning Line clearance also same type of stipulated protocols are to be observed before the line is charged. This is a step taken by the licensee to make the system accident free.

xiii. Adherence to different dress codes for Officer/workers/Business Associates.

TPNODL Reply: Dress code has been adopted for permanent staff of TPNODL and all the staff are being provided with two pairs of dresses annually. BA employees who are working for line maintenance are provided with full body harness.

3. Respondent's view/objection: More the Consumption less the price for Domestic consumers.

TPNODL Reply: It is to bring out that, Hon'ble Commission is guided by the principles of National Tariff Policy for setting tariffs for different category of consumers. Relevant extract from section 8.3 of the National Tariff Policy, reproduced hereunder:

- 1. Consumers below poverty line who consume below a specified level, as prescribed in the National Electricity Policy may receive a special support through cross subsidy. Tariffs for such designated group of consumers will be at least 50% of the average cost of supply.*
- 2. For achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission would notify a roadmap such that tariffs are brought within ±20% of the average cost of supply..."*

To support the economically weaker category of consumers, cross subsidization is being followed. The consumers with lower consumption like less than 30 units are considered below poverty line. Similarly, to support the consumers falling under lower consumption slabs, like less than 50 units, 50 to 200 units, lesser rates have been fixed which is gradually increased.

The existing pattern of tariff applicable for domestic and LT GP is to support the lower consumption group /weaker section of the society and ensure power for all.

4. Respondent's view/objection: Return on Equity.

TPNODL Reply: As per para 54 (a) of the Vesting Order, the Commission shall allow return on equity, as per the Tariff Regulations, to TPNODL on the equity capital of Rs. 250 crores (Indian Rupee Two hundred and fifty crores) only which was the reserve price of the utility of NESCO.

As per Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, DISCOMS are entitled for Return on equity on assets put to use after Effective Date up to date of applicability of these Regulations.

Para 3.6.2. of Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 clearly **restrict asset funded by consumer contributions, capital subsidies/ Government grants for consideration as capital base for the purpose of calculation of Return on Equity.**

Accordingly, The TPNODL has asked ROE only on actual investment made by TPNODL as per approval of Hon'ble Commission. Capital investment of consumer are not included in capital base for calculation of ROE.

5. Respondent's view/objection: Separate Tariff for Seasonal Industries.

TPNODL Reply: The concept of 80% demand charges is applicable for consumer HT Industrial and GP consumer having contract demand >100KW, where the licensee has to keep reserve the quantum of load availing by the seasonal consumer. Against the quantum of load kept reserve for consumer remains idle during non-use period, which can not be allocated to any other consumer. Hence, the consumer has to pay minimum charges towards load kept for his use.

However, for load less than 70 KVA, there is no concept of 80% demand charges. The consumer has to pay fixed charges/demand charges on the basis of his actual use.

6. Respondent's view/objection: Automatic Compensation

TPNODL Reply: As per clause-5 (3) of the Orissa Electricity Regulatory Commission (Licensees' Standards of Performance) Regulations, 2004, the liability of compensation under sub-clauses (1) to (2) shall be applicable to supply of electricity from such date the Commission may direct by order issued for the purpose. However, till date no such directives have been issued by Hon'ble Commission.

7. Respondent's view/objection: Manpower.

TPNODL Reply: The justification of manpower expenses keeping in view real challenges faced for seamless operation, consumer satisfaction, project execution and other related activities has been elaborated in the ARR application, which may please be referred.

8. Respondent's view/objection: Metering of GP consumer having contract demand less than 70 KVA billed at GP tariff.

TPNODL Reply: TPNODL meticulously follow the direction of Hon'ble Commission towards billing of GP Consumer having contract demand less than 70 KVA under LT tariff.

9. Respondent's view/objection: The Permission/feasibility for prospective consumer

TPNODL Reply: License is duty bound to follow the provision of OERC (Distribution Supply Code, 2019) and other applicable rules and regulations and directives mentioned in the Tariff Orders. However, if any consumer is aggrieved with non-fulfillment of Hon'ble Commission directives, Objector may bring such cases to the notice of the License for further necessary action.

10. Respondent's view /suggestion: Security Deposit accounts

TPNODL Reply: Licensee is maintaining the Security Deposit accounts separately for each and every consumer. The third-party audit is also conducted and submitted to the Hon'ble Commission.

11. Respondent's view/objection: Rent on Meter

TPNODL Reply: TPNODL is duty bounded to follow the instruction and direction of the Hon'ble Commission. If the Hon'ble Commission decide so we will carry out the instruction.

12. Respondent's view/objection: Separate Cold Storage Tariff

TPNODL Reply: The allegation of the Ld. Objector that DISCOMs viewed cold storage as a business venture rather than as a means of preserving agriculture product is purely baseless and false. The DISCOMS duty is to categorise a consumer based upon its purpose of use and bill them at the rate approved by Hon'ble Commission. This is further to submit

that considering the reasons mentioned by ld. Objector, Hon'ble Commission reduced the rate of Allied Agro-Industrial tariff in 2023-24 tariff order.

13. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred by the objector for further clarification.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

Cc to: Sri Prabhakar Dora, S/O-Bhaskar Rao Dora, 3rd Lane, Vidya Nagar, P/O/Dist-Rayagada-755001. E-mail-doraprabhakar1965@gmail.com, M: 9437103756

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**

AND

IN THE MATTER OF: Shri Ananda Kumar Mohapatra, Freelance Power Analyst, Plot No.- 799/4, Kotiteertha Lane, Bhubaneswar-02

.....**Objector**

Rejoinder to the objection filed by Sri Ananda Kumar Mohapatra against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order dated 25.3.2021 in Case No-9/2021 of Hon'ble Commission.
2. **Respondent's view/suggestion: Line networks inclusive of meters transferred to TP DISCOMs. Data relating to line networks from the date of vesting needs to be provided.**

TPNODL Reply: It is submitted that since the vesting of the License, TPNODL is making every effort to discharge its obligations and has complied with all performance parameters stipulated in the Vesting Order dated 25.03.2021, issued by the Hon'ble Commission in Case No. 09/2021, as well as other performance parameters prescribed under the applicable statutes and regulations. Owing to the constructive intent, consistent efforts and timely guidance of the Hon'ble Commission, TPNODL has successfully transformed itself from a loss-making entity into a financially viable company. Its achievements have garnered recognition and accolades at the national level.

Furthermore, TPNODL has time and again provided the half yearly performance and annual performance reports to the Hon'ble Commission by way of Half yearly or Annual performance review of DISCOMs conducted, as & when required. Most of the data as on the date of Vesting relating to line network are available, except a few like consumer metering status, DTR metering, PSS with SCADA etc, for which either the data/document is not available or is not authenticate. The same is evident from the data provided by the Ld. Objector.

3. Respondent's view/suggestion: Nothing interest of Tata is seen in Metering & Energy Audit.

TPNODL Reply: In this regard, it is submitted that all metering related works of 11kV feeders & DTRs undertaken by TPNODL are being implemented strictly in accordance with the approvals accorded by the Hon'ble Commission under the respective CAPEX Orders. It is further submitted that metering and energy audit activities are being carried out in a phased and systematic manner. As part of this approach, DTRs of capacity 100 kVA and above are being taken up on priority for metering and energy audit, as these assets have a significant bearing on system loss assessment and network performance. Metering of the remaining distribution transformers and network elements shall be undertaken progressively in subsequent phases, in line with approved CAPEX and implementation schedules. Additionally, TPNODL has undertaken 100% consumer mapping and indexing of its consumer base, which is a critical enabler for effective energy accounting and audit. This initiative ensures accurate linkage of consumers to distribution transformers and feeders, improves data integrity, facilitates precise loss analysis, and supports targeted system strengthening measures. The benefits of this exercise accrue directly to consumers through improved system reliability, transparency, and overall quality of supply.

4. Respondent's view/objection: Phasing out all DTRs below 63 kVA.

TPNODL Reply: It is submitted that, as per the directives and guidelines issued by the Hon'ble Commission, TPNODL is undertaking systematic upgradation of DTRs as part of its network strengthening and loss reduction initiatives. These upgradations are being carried out in a phased manner under the approved CAPEX plans of the Company. It is further submitted that DTRs below 63 kVA are well-suited for rural habitations, sparsely populated areas, agricultural pockets, and remote villages where connected load and demand density are low. Installing higher-capacity DTRs in such areas would be economically inefficient and may lead to underutilization of assets. Accordingly, lower-rated DTRs are being gradually replaced with higher-capacity transformers based on load growth, system requirements, and technical feasibility. This planned upgradation process will result in the progressive phasing out of DTRs below 63 kVA over a period of time. As per directive of OERC, DTR upgradations are being carried out, which will gradually phase out the lower rated DTRs.

5. Respondent's view/objection: High Fatal accidents.

TPNODL Reply: At the outset, TPNODL places the highest priority on safety and any incident resulting in fatality is treated with utmost seriousness and concern. In this regard, it is submitted that the Licensee has significantly strengthened its incident reporting and monitoring mechanisms and all safety-related incidents are being reviewed and reported on a monthly basis before the Hon'ble Commission. Further, TPNODL has implemented a comprehensive safety framework covering preventive, corrective and monitoring measures. These include:

- a. Periodic skill upgradation and safety training programs for employees and contractor personnel to reinforce safe work practices.
- b. Mandatory use of Personal Protective Equipment (PPE) with strict on-site enforcement.
- c. Strict implementation of the Work Permit and Line Clearance system to ensure electrical safety during maintenance and operational activities.
- d. Deployment of technology-driven monitoring tools, including digital reporting, geo-tagging and supervisory controls to enhance compliance and real-time oversight.
- e. Regular field visits, inspections, and safety audits by senior management, aimed at reinforcing safety culture, identifying gaps and ensuring accountability at all levels.

6. Respondent's view/objection: No format designed by OERC for performance review of DISCOMs.

TPNODL Reply: In this regard, it is submitted that the Hon'ble Commission has prescribed specific and standardized formats and information requirements for various performance reviews (half yearly & annually) and regulatory submissions of the Distribution Licensees. Accordingly, TPNODL submits detailed information strictly as per the formats and templates specified by the Hon'ble OERC from time to time.

7. Respondent's view/objection: Excess tariff recovery.

TPNODL Reply: DISCOMs are charging electricity tariff strictly in accordance with the tariff approved and notified by the Hon'ble Commission for the respective financial years. Tariff determination is a two-stage regulatory process. In the first stage, the tariff for the ensuing financial year is approved by the Commission based on prudent estimates of revenue and expenditure. In the second stage, a "true-up" exercise is undertaken wherein actual revenues and expenses are examined, and any surplus or revenue gap so established is appropriately passed on to consumers in accordance with regulatory principles.

However, determination of tariff to be charged from different consumer categories is the prerogative of the Hon'ble Commission u/s 62 & 86 of the Electricity Act, 2003.

8. Respondent's view/objection: High Employee cost.

TPNODL Reply: TPNODL serves a consumer base of around 2million spread over a vast geography of 27857sqkm. For effective operation, the licensed area is divided into 5 Circles which are further sub divided into 16 Divisions, 50 Sub-divisions and 159 sections which manage the commercial and O&M activities to serve its consumers.

TPNODL inherited 2159 nos. of regular employees and 13 nos. of contractual employees from erstwhile NESCO utility as on 31.3.2021. Subsequently, it has added resources on transfer from Tata Power.

The shortage of manpower posed real challenge for seamless operation. Further, as per manpower analysis, need was felt for creating missing bandwidths in Project Monitoring, Civil Engineering, Network Engineering & Planning, Sub-Transmission System, N/W Protection, Preventive Maintenance, Consumer care, Enforcement, Meter Management. Accordingly plans for induction of manpower were prepared. Further, the commercial organization had to be redefined upto the section level to bring in more focus on commercial activities. The Section Level which is the foundation for all Commercial and Technical activities, needed to be strengthened. IT & OT – Competencies had to be enhanced to take care of advent of new technologies like SCADA, GIS, ADMS, Data Center, IT applications, ERP, Infrastructure Management & control.

To meet the performance level set by Hon'ble Commission and also to meet the expectations of all stakeholders the existing departments have been reengineered functionally and structurally after takeover, so that it shall build synergy and seamless integration amongst operation and commercial functions thereby creating employee mobility, capability and career growth opportunities

TPNODL carried out detailed study of the existing manpower gaps across various Departments and geographies of TPNODL and worked out requirement of new expert manpower to fill up various resource gap areas like Network Planning & Engineering, Sub Transmission System management, Enforcement, Energy Audit, Safety, Projects, Civil, IT & OT and formulated a comprehensive recruitment plan.

Hon'ble Commission after prudence check approves the number of employees maintained by DISCOMs in line with regulation 3.9.11 of OERC (Terms and Conditions for Determination of Wheeling Tariff ad Retail Supply Tariff) Regulations,2022

The Hon'ble Commission has always approved the component-wise ARR of DISCOMS on cash outgo basis with prudence check and proper justification.

9. Respondent's view/objection: Illegal collection of ASD.

TPNODL Reply: It is submitted that Security Deposit is a statutory requirement under Section 47 of the Electricity Act, 2003, r/w provisions of the OERC Distribution (Conditions of Supply) Code, 2019. The Security Deposit is intended to secure an amount equivalent to approximately two months' electricity charges, serving as a safeguard against the credit period extended to consumers.

In accordance with Section 47 of the Electricity Act, 2003 and the OERC Supply Code, 2019, DISCOMs are required to undertake an annual review of the Security Deposit for each consumer based on the average electricity consumption during the immediately preceding financial year. Where such review reveals a shortfall or excess in the existing Security Deposit, the differential amount is required to be recovered or adjusted through subsequent electricity bills, as applicable. This annual review mechanism is necessitated by variations in consumption patterns and changes in applicable tariff rates.

Accordingly, the demand raised by the DISCOMs on the basis of electricity consumption for FY 24–25 has been strictly in compliance with the applicable statutory and regulatory provisions. Periodic review and revision of Security Deposit, as prescribed under the regulations, is essential to safeguard the financial integrity of the distribution business by mitigating recovery risks and is fully aligned with the objectives of the Electricity Act, 2003.

The demand and annual review of Security Deposit is a uniform and well-established practice followed by DISCOMs across the country. The Security Deposit is refundable upon termination of the electricity connection, subject to adjustment of any outstanding dues. It is also pertinent to note that consumers having prepaid meters are exempt from the requirement of furnishing Security Deposit. In view of the above, the demand for additional Security Deposit is legal, justified, and in full conformity with the prevailing statutory and regulatory framework.

As per the provisions contained in the Vesting Orders, DISCOMs are not permitted to utilize Security Deposit amounts for their operational requirements. These funds are maintained separately and invested in fixed deposits with scheduled banks. The interest accrued on such fixed deposits is duly accounted for as non-tariff income and offered in the ARR. Since the date of vesting, all DISCOMs have consistently disclosed the interest earned on Security Deposit-related fixed deposits in their ARR filings.

Further, in accordance with the directions of the Hon'ble Commission, DISCOMs are required to pay interest on Security Deposits to consumers at the rate specified by the Commission in the applicable Tariff Orders. For FY 25–26, the approved rate of interest is 6.50% per annum. The interest amount is credited annually through electricity bills on 1st May of each financial year. In compliance with this requirement, DISCOMs have credited interest on Security Deposits pertaining to FY 24–25 to all eligible consumers on 1st May 2025.

The Hon'ble Commission undertakes a prudence check of both the interest earned on fixed deposits and the interest paid to consumers on Security Deposits for all DISCOMs. Based on such prudence review, the actual interest earned and paid is considered by the Commission during tariff determination.

Further, the directions issued by the Hon'ble Commission under Clause 214 of the RST Order for FY 25–26 have been duly complied with and a comprehensive audit report in this regard has been submitted to the Commission.

10. Respondent's view/objection: APERC refunded excess tariff recovery (Rs. 923.50 Cr.), why not OERC.

TPNODL Reply: It is submitted that the refund of Rs. 923.50 Cr. relates to excess collections made by the 3 Andhra Pradesh DISCOMs, namely APSPDCL, APCPDCL and APEPDCL during FY 24–25 under the Fuel and Power Purchase Cost Adjustment (FPPCA) mechanism. The FPPCA is levied to account for variations in fuel and power procurement costs arising primarily due to increases in fuel prices at generating stations.

The Hon'ble APERC, in accordance with the applicable FPPCA regulations, directed the refund of the excess amount, as the regulatory framework explicitly mandates that any surplus recovery under this mechanism shall be returned to consumers.

In the State of Odisha, while enabling provisions for implementation of FPPCA exist within the regulatory framework, the mechanism has not been invoked by GRIDCO or the DISCOMs. This is on account of the absence of any requirement for such levy, attributable to relatively stable coal prices and comparatively lower coal transportation costs during the relevant period.

11. Respondent's view/objection: Levy of intra-state transmission charges on CGPs will reduce RST.

TPNODL Reply: It is submitted that the levy or otherwise of intra-state transmission charges on CGPs is a regulatory and policy matter falling within the jurisdiction of the Hon'ble

Commission. Any decision in this regard is required to be taken by the Hon'ble Commission after due consideration of the applicable regulations, sectoral implications and the overall interest of consumers. Accordingly, it is submitted that the Hon'ble Commission may take a prudent and balanced decision on the matter.

12. Respondent's view/objection: Installation of smart meters.

TPNODL Reply: It is submitted that as per the prevailing regulatory framework and statutory directives, smart meters are mandated for use in the distribution of electricity to consumers. The requirement for installation of smart meters flows from the following provisions:

- a. The Central Electricity Authority (Installation and Operation of Meters) (Amendment) Regulations, 2022.
- b. Notification No. CG-DL-E-26052022-236032 dated 26.05.2022 issued by the Ministry of Power, Government of India.
- c. Clause 97(iv)(3) of the OERC Distribution (Conditions of Supply) Code, 2019 and
- d. The Hon'ble Odisha Electricity Regulatory Commission's letter dated 03.05.2023, which further prescribes prioritization for installation.

In accordance with the above statutory and regulatory directions, installation of smart meters is being undertaken strictly as per the priority order specified by the Hon'ble Commission vide its letter dated 03.05.2023. In addition to priority categories, meters that are found to be tampered, defective, or obsolete, including mechanical meters, are being replaced with smart meters. Replacement of such meters directly with smart meters is a prudent and consumer-centric approach, as it eliminates the need for repeated meter replacements within a short period and thereby avoids any additional financial burden on consumers in the future. This approach is fully aligned with the regulatory mandate and supports the long-term objectives of improved efficiency, accuracy, transparency and reliability in metering and billing.

13. Respondent's view/objection: Unlawful act of Tata Power causes distrust among consumers.

TPNODL Reply: It is submitted that Smart meters are manufactured strictly in accordance with IS 16444, as prescribed by the Bureau of Indian Standards (BIS), Government of India. Prior to commercial production, every smart meter model is required to undergo Type Testing from NABL-accredited laboratories of the Government of India, namely CPRI and ERDA. Post-production, each individual meter is tested by the manufacturer in compliance with the guidelines issued by the Government of India. Further, before installation at

consumer premises, meters are again tested by the DISCOMs in their NABL-accredited Meter Testing Laboratories.

Smart meters specifications prescribed under IS 16444 Code does not allow the utility to edit the energy consumption recording. It is completely inaccessible to the utility and it is like a black box. It is a globally accepted tool to ensure accurate billing, reduce power theft, improve service quality, and restore financial health of power sector.

Technically, static meters and smart meters are fundamentally identical in terms of metrological accuracy and core measurement functionality. The only additional feature in a smart meter is the provision for secured bi-directional communication between the meter and the central server, which is logically and electrically isolated from the metering and recording circuitry.

In cases where consumers perceive inflated billing, an established grievance redressal mechanism is available. Consumers may lodge complaints with the respective DISCOMs, which are addressed in a time-bound manner. Additionally, consumers may apply for installation of a check meter in accordance with the procedure laid down under the OERC Distribution (Conditions of Supply) Code, 2019.

On receipt of complaint regarding accuracy of smart meters, dedicated on site teams equipped with Standard Accu-Chek to test the meters at site. In case consumers are still aggrieved, the meters are sent to NABL accredited meter testing labs situated at Cuttack and Bhubaneswar and is tested in front of consumers.

Further, consumers have the choice to get the meter tested at Standard Testing Lab, Bhubaneswar. This is under control of Govt. of Odisha directly.

14. Respondent's view/objection: Illegal collection of meter rent from consumers who have been given power supply under Govt. grant/ subsidy schemes.

TPNODL Reply: Odisha DISCOMs charges meter rent, tariffs and other charges in accordance with the Retail Supply Tariff (RST) Orders and Supply Code, 2019 as issued by the Hon'ble Commission. The erstwhile power utilities installed the meters in question, and the TP DISCOMS inherited this legacy infrastructure and associated billing processes when they took over the operations. The meters under the Saubhagya and IPDS schemes were installed prior to the current Odisha DISCOMs taking over electricity supply operations in the state. The associated billing processes are part of this inherited legacy.

TP DISCOMs proactively raised this matter with Hon'ble Commission, seeking regulatory guidance to address the inherited anomaly. As per guidance received, all DISCOMs stopped charging meter rent to consumers under these specific schemes from 01st April 2024. Also, desired relevant information is shared with the Commission. The rent collected from such government-funded meters has been duly accounted for and

again submitted for true-up adjustments, ensuring that all funds are correctly accounted for. The Odisha Discoms are subject to audit by an independent auditor and prudence checks by the Hon'ble Commission.

15. Respondent's view/objection: No CAG audit due to privatization of DISCOMs.

TPNODL Reply: It is submitted that TPNODL functions as a licensed and regulated Distribution Licensee under the provisions of the Electricity Act, 2003 and operates under the regulatory oversight of the Hon'ble Commission. Post-privatization, the statutory audit framework applicable to TPNODL is in accordance with the provisions of the Companies Act, 2013 and other applicable laws.

Accordingly, the Licensee's accounts are subject to independent statutory audit by auditors appointed as per law and are also reviewed through multiple layers of regulatory scrutiny, including detailed examination during tariff determination proceedings, annual performance reviews and compliance submissions before the Hon'ble Commission. The Hon'ble Commission has the authority to seek information, conduct reviews and issue directions as deemed appropriate.

16. Respondent's view/objection: Truing up for FY 24 & FY 25 – Regulatory Provisions.

TPNODL Reply: It is submitted that the Licensee has filed the truing-up petitions in accordance with the Audited financial statements as well as the Tariff Regulations, 2022. Furthermore, the Licensee goes through prudence check before the Hon'ble Commission w.r.t all the Power Purchase & Distribution cost parameters as & when required.

17. Respondent's view/objection: Abnormal power purchase costs for FY 24 & FY 25.

TPNODL Reply: It is submitted that the Licensee has claimed the power purchase costs in accordance with the Audited financial statements as well as the Tariff Regulations, 2022.

Furthermore, para 3.14.4 of the Tariff Regulations, 2022 provides as under:

“3.14.4 The Distribution Licensees shall adhere to the committed AT&C loss reduction trajectory for future years (Annexure III) as per the Vesting Orders. Any gains or loss arising from over-achievement or under achievement of AT&C loss reduction vis-avis the regulated AT&C loss provided for Tariff determination in Annexure-III shall be retained by Distribution Licensee. Sample computation for gains/ losses arising from over/ under achievement of AT&C loss reduction vis-a-vis the regulated AT&C loss is provided below:”

Accordingly, the Licensee has claimed the gain/ loss arising from over-achievement or under achievement of AT&C loss reduction in the power purchase cost.

18. Respondent's view/objection: Prudence checks of Truing-up petitions & ARR petition.

TPNODL Reply: It is submitted that the Licensee has claimed the costs in the Truing-up & ARR petitions strictly in accordance with the Tariff Regulations 2022. All such petitions are subject to detailed scrutiny and prudence checks by the Hon'ble Commission. The Commission examines the reasonableness of costs, efficiency of operations, compliance with regulatory norms and justification of claims based on actual performance and supporting data.

The prudence check process includes analysis of controllable and uncontrollable costs, capital expenditure, power procurement expenses, and operational parameters. Further, the Hon'ble Commission conducts public hearings on ARR and tariff petitions, providing an opportunity to all stakeholders, including consumers, to present their views and objections. The final approvals are granted only after due consideration of the submissions of the Licensee, stakeholder inputs and the Commission's own assessment.

19. Respondents View/ Objection: Open Access charges for FY 27.

TPNODL Reply: The Hon'ble Commission has been reducing the applicable CSS for tariff fixation for the various categories viz. EHT and HT over the period of time. The Commission has been following the formula for computing the OA charges and cross subsidy charges as prescribed in tariff policy notified by MoP. Hon'ble Commission while approving the cross-subsidy surcharge follows the formula as prescribed in Para 8.5.1 of the Tariff Policy.

Also, Clause 8.2 of the National Tariff Policy provides for the Commission to balance the revenue with expenditure in such a way that tariff for cross-subsidised categories and cross-subsidising categories remains within $\pm 20\%$ of the average cost of supply. The Hon'ble Commission while approving the cross-subsidy surcharge payable every year allowing certain percentage of computed value. Therefore, recovery of cross subsidy has been reducing. Now, CSS of EHT consumers has been projected at 258 paise per unit and CSS for HT consumers it is only 42 paise per unit.

20. Respondents View/ Objection: Normative HT Loss 8% is very high.

TPNODL Reply: The Hon'ble Commission in its RST Order for FY 25-26 has approved the HT loss to the tune of 8% which is justified in the current situation. TPNODL is engaged in system strengthening, network augmentation, setting up 33/11 kV substations in order to increase the power situation and reach to consumers. The Licensee hopes that in future years the T&D loss may be reduced taking into account the network situation prevailing at the time.

21. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred by the objector for further clarification.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal))

**Cc to: Shri Ananda Kumar Mohapatra, Freelance Power Analyst, Plot No.-799/4,
Kotiteertha Lane, Bhubaneswar-02, M: 9437071622; E-mail:
anandamohapatra22@gmail.com**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, AILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**

AND

IN THE MATTER OF: M/s. Bharati Airtel Limited, E 13/1, Infocity, Chandaka Industrial Estate, Chandaka (Infocity), Chandrasekhpur, Bhubaneswar-751024.

.....**Objector**

Rejoinder to the objection filed by M/s Bharati Airtel Limited, on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order of Hon'ble Commission. Para wise reply to the points raised by the respondent on the ARR application of the licensee are furnished hereunder.

2. **Respondent's view/objection: Industrial Tariff for Telecom Sector**

TPNODL Reply: A consumer is categorized depending upon purpose for which power is utilized. The purpose of use and category of consumer has been defined in clause 138 of Odisha Electricity Regulatory Commission Distribution (Conditions of Supply) Code, 2019. As per clause, Industrial Category is applicable where power is substantially utilized as motive force for industrial production. Since the use of power by the objector is not for industrial purpose, industrial tariff will not be applicable as per the defined supply code.

3. **Respondent's view/objection: Regarding Green Energy Open Access in Odisha**

TPNODL Reply: The purpose of Green Energy Open Access (GEOA) rules is to accelerate India's renewable energy transition by enabling commercial and industrial (C&I) consumers to buy clean power directly from generators, bypassing local utilities, thereby ensuring affordable, reliable, green energy, cutting emissions, and reducing power costs through simplified procedures, lower entry barriers (down to 100 kW), and clear

charges for grid usage. These rules empower consumers to choose green sources, promote competition, and support national clean energy goals.

In line with the Ministry of Power Green Energy Open Access (GEOA) Rules' 2022, OERC has also notified Odisha Electricity Regulatory Commission (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023 on 11th January' 2023 for promoting Renewable Energy in the state of Odisha.

Considering all applicable guidelines specified in said regulations, Licensee has prepared and filed application before Hon'ble Commission for determination and approval of Wheeling Charges, Wheeling Losses, Cross Subsidy Surcharge for LT Consumers intended to avail green power through Open Access. It is requested before Hon'ble Commission to decide the matter suitably and issue necessary implementation direction in this regard.

4. **Respondent's view/objection:** Continue kWh billing for LT consumers instead of kVah or reduce tariff for "per kVah billing"

TPNODL Reply: Respondent Licensee under para no. 9.6, page no. 144 of the ARR & Tariff Application FY 2026-27 has elaborated the need for reintroducing the kVah billing for LT category of consumers, Ld. Objector may please be referred the same.

5. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory& Legal)

C.C. to: M/s. Bharati Airtel Limited, E 13/1, Infocity, Chandaka Industrial Estate, Chandrasekharpur, Bhubaneswar-751024, E-mail: sudhansu.dash@airtel.com

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: Sri Ashok Kumar Bhukta, S/o- Late Janardhan Bhukta, Main Road Mandiapalli, P.O.- Rangailunda, Berahampur University, Dist-Ganjam-760001.

.....Objector

Rejoinder to the objection filed by Sri Ashok Kumar Bhukta against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the FY 2026-27

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order dated 25.3.2021 in Case No-9/2021 of Hon'ble Commission.
2. **Respondent's view –Excess Sales Projection to accommodate expenditure and passed through in Truing Up exercise.**

TPNODL's reply: Tariff determination is a two-stage regulatory process. In the first stage, the tariff for the ensuing financial year is approved by OERC based on prudent estimates of revenue and expenditure. In the second stage, a “true-up” exercise is undertaken wherein actual revenues and expenses are examined, and any surplus or revenue gap so established is appropriately passed on to consumers in accordance with regulatory principles.

Sales projection is merely a scientific estimation based on past trend of sales, actual sales data for the first six months of current year, load growth in pipeline, actual addition/reduction of load, present trend of drawl of power through open access, additional drawl on account of special schemes allowed by Hon'ble Commission,

Sector wise industrialization, specific Govt schemes etc. The Respondent submits its sales data along with proper justification, which is scrutinized by Hon'ble Commission before allowing in Tariff Order.

Similarly, all expenditure proposed in ARR filing is being supported with detail calculation sheet and justification, which is being scrutinised by Hon'ble Commission before allowing in Tariff Order.

That, TPNODL has made certain assumptions while projecting its operations for the ensuing year. These projections are based upon the best estimates of the operations and prospective plans of the DISCOM at the time of the ARR filing. The actual ARR and the revenue figures may be different from the above estimates due to several external factors. Hon'ble Commission examines all component of ARR, i.e. Sales and expenditure etc, in accordance with regulatory principles, and surplus or revenue gap if any so established is appropriately passed on to consumers.

3. Respondent's view – Unnatural hike in expenditure, high power outage during tenure of TATA Power.

TPNODL Reply: As explained above every expenditure is supported with detail backup calculation and proper justification, which will be reviewed by Hon'ble commission as per Regulatory principles before being allowed in the tariff order.

Allegation of the Objector regarding increase in power outage during TATA Power tenure is also not correct. Rather power outage during TATA Power tenure is reduced substantially and also decreasing year by year. This can be observed from the SAIFI and SAIDI data given in below table.

FY	SAIDI	SAIFI
2021-22	455.51	680
2022-23	378.39	621
2023-24	348.95	576
2024-25	324.31	526

4. Respondent's view – Bills of consumers are not served and generated on provisional but same time rebate is not allowed.

TPNODL Reply TPNODL has managed to reduced provisional billing to approx. 0.5% of the consumer base as compared to 15% during the takeover. In all the cases, customer meter is read using OCR (Optical Character Recognition Tool which automatically scan the meter reading without Manual intervention) and bills are handed over to the consumer on the spot.

Further, various channels like Customer Service Center, Call Centre, and Chatbot based what's app no. and Anubhav Kendra etc. have been introduced in last 4 years

for quick resolution of consumer grievances related to the above matter or any other issues.

5. Respondent's view – DISCOM are disconnecting the power supply without proper notice.

TPNODL Reply: TPNODL is not disconnecting the supply without prior intimation to a bona-fide consumer. Disconnection of power supply is made as per the provision of OERC Distribution (Condition of Supply) Code, 2019 regulation. Licensee always serve proper notice to consumers as per provision of Supply code before disconnection of supply for non-payment of electricity bills. However, objector is requested to bring the individual cases to the notice of the licensee for further clarification. TPNODL also provides the pre-shut down information over mike announcement to its valued consumers prior to execution of any major maintenance activity. If Ld Objector has noticed any such case of deviation, the same may please be brought to the notice of the licensee.

6. Respondent's view – Interest on Capex loan is charged for whole year.

TPNODL Reply: The interest on Capex loan has been charged in a staggered manner instead of the whole year as objected. For details applicable interest rate objector may please refer the respective financial format of ARR Application.

7. Respondent's view – DISCOMs must give details financial benefits derived from the Capex plan on account of loss reduction and it's on tariff

TPNODL Reply: The detailed capex plan along with Detailed Project Report are furnished before the Hon'ble Commission each year as per provision of Vesting Order of licensee. Accordingly, Hon'ble Commission hears it in Public Hearing and issues the order by way of analyzing the inputs from all stakeholders.

The AT&C loss has been reduced from 25.17% in FY 21 to 12.64 % as on FY 25 and the power supply hours have been 23:11 hrs in average during FY 2024-25, the corresponding extra billing and collection are the derived impact of the capital investments done so far. There is no hike in Retail supply tariff in last three years despite of significant increase in Bulk Supply tariff.

8. Respondent's view: Calculation of ASD on the basis of present load factor and Refund of excess Security deposit as per OERC Order

TPNODL's reply: As per Regulation 48 of OERC Distribution (Conditions of Supply) Code, 2019, before enhancement of power supply the consumer has to pay additional security deposit calculated under Regulation 52 (ii). The relevant extracts

of regulation 48 and 52 (ii) of OERC Distribution (Condition of Supply) code, 2019 are provided hereunder:

48-“Every person whose application for **initial supply or subsequent addition/reduction of supply of power** has been processed by the licensee/supplier who avails the supply at three phase, shall before taking such supply execute an agreement in the standard format as per Form No.3 of this Code and **will pay security amount as per Regulation 52(ii) of this Code** and submit the report of Electrical Inspector or the Licensed Contractor, as the case may be****”

52 (ii)-“The initial security deposit (demand charges/Monthly Minimum Fixed Charge plus energy charges) shall be calculated based on the load factor as under:”

TPNODL calculated required additional security deposit for enhancement of load strictly as per the provision of OERC Distribution (Condition of Supply) Code, 2019 regulation.

Many consumers considering their expansion program and consequent load enhancement are reluctant for refund of their excess security deposit. Therefore, instead of refunding excess security deposit to all eligible consumer, the licensee refunds the security deposit to the aspirant consumer only. However, interest at the rate approved by the Commission is being paid to the consumer on their total balance in security deposit account. During financial year 2024-25 TPNODL refunded excess security deposit an amount of Rs 42.93 Cr to the consumer against ASD collection of Rs 5.21 Cr only..

9. Respondent's view: Re-introduction of KWH billing

TPNODL's reply: After due deliberation Hon'ble Commission has introduced the KVAH billing, which would have been introduced much earlier. Objector's objection on this issue in previous years has been duly addressed by Hon'ble Commission in para 86 of RST Order for 2023-24. KVAH billing was introduced to maintain power factor near to 100%, which is necessary for system stabilisation. Further, as present KWH to KVAH is near about 95%, KVAH billing will have a very little impact on billing. Therefore, KWH billing should not be re-introduced again.

10. Respondents View/ Objection: There should be no tariff hike.

TPNODL Rejoinder: The tariff to be charged from different consumer categories as per Supply Code Chapter IX Section 141 to 146 is to be determine by Hon'ble Commission based on sales and expenditure for the ensuring year 2026-27. ARR filed by TPNODL strictly as per provisions of Odisha Electricity Regulatory Commission

(Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, which is under review of Hon'ble Commission.

11. Respondent's view/objection: Installation of smart meter on free of cost. The cost must be bear by the Govt. or Discoms.

TPNODL Reply: All Four Discoms of Odisha had proposed the proposal for Installation of Smart Meter under CAPEX and Abolition of Meter Rent. Further, Hon'ble Commission under para 99 (2) vide Retail Supply Tariff Order dated 24.03.,2025 pronounced direction regarding installation of Smart Meters, the relevant extract is reproduced hereunder:

.....
In order to reduce the tariff burden on the consumers due to proposed CAPEX Plan of DISCOMs for smart metering, the State Government intends to provide capital subsidy/grant to the DISCOMs, in a phased manner for consumers with CD up to and including 2 kW towards installation of smart meters. Meter rent from such consumers (with CD up to 2 kW) may not be recovered to encourage speedy implementation of smart metering in the state.
.....

In compliance to the direction of the Hon'ble, Licensee has stopped recovering meter rent against installation of smart meters for consumers up to 2 kW Contract Demands with effect from 1st April' 2025.

12. Respondent's view/objection: Separate Tariff for Seasonal Industries.

TPNODL Reply: The concept of 80% demand charges is applicable for consumer HT Industrial and GP consumer having contract demand >100KW, where the licensee has to keep reserve the quantum of load availing by the seasonal consumer. Against the quantum of load kept reserve for consumer remains idle during non-use period, which can not be allocated to any other consumer. Hence, the consumer has to pay minimum charges towards load kept for his use.

However, for load less than 70 KVA, there is no concept of 80% demand charges. The consumer has to pay fixed charges/demand charges on the basis of his actual use.

13. Respondent's view/objection: Penalty without inspection of meter in due interval and without following procedure, fault, acknowledgement of the consumer.

TPNODL Reply: Inspection of meter under TPNODL is being carried out strictly as per timeline laid down under Regulation 111 (iii) of OERC Code,2019. For reference Regulation 111 (iii) of OERC Code, 2019 is reproduce below

“The licensee/supplier shall also conduct periodical inspection/testing of the meters at site as per the following schedule or earlier: The licensee/supplier may instead of testing the meter at site can remove the meter and replace the same by a tested meter duly tested in an accredited test laboratory.

- (a) Single phase meters - at least once every five years*
- (b) LT three phase meters - at least once every three years*
- (c) HT/EHT meters including MDI - at least once a year”*

Action under section 126 and section 135 of Act is being taken only when it is detected that meter became defective due to external and unauthorised interference. Penalty never imposed simply on the ground of defective meter. As per IE Act penalty is imposed from the date of its occurrence subject to for a maximum period of one year. Hence, non-inspection of meter within schedule period no way penalises any consumer. Further, while carrying out any action under section 126 and section 135 of Act it is ensure that proper procedure as laid down under Act and Regulation are follow. If Ld Objector has noticed any such case of deviation, the same may please be brought to the notice of the licensee.

- 14.** That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred by the objector for further clarification.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory& Legal)

**Cc: Sri Ashok Kumar Bhukta, S/o- Late Janardhan Bhukta, Main Road
Mandiapalli, P.O.- Rangailunda, Berahampur University, Dist-Ganjam-
760001, E-mail: ashokbhukta@gmail.com**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**

AND

IN THE MATTER OF: Odisha Power Transmission Corporation Limited, Janpath,
Bhubaneswar-751022.

.....**Respondent**

**Rejoinder to the objection filed by M/s Odisha Power Transmission Corporation Limited
(OPTCL), on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff
Application filed by TPNODL for the FY 2026-27**

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order of Hon'ble Commission. Para wise reply to the points raised by the respondent on the ARR application of the licensee are furnished hereunder.
2. That, OPTCL has filed an application for approval of Aggregate Revenue Requirement and Transmission Tariff for the Year 2026-27 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 of ARR for FY 2026-27 in the present application .

A. Transmission Charge and SLDC Charge:

3. The existing Transmission charges approved for FY 2025-26 is 25.50 paise per unit. TPNODL has calculated the power purchase expenses considering transmission charge 25.50 paise per unit. M/s OPTCL has proposed a tariff hike of 10.11 paisa per unit which is as high as 40% of the existing transmission charges. That will increase the power purchase cost and so also the revenue requirement of the Licensee by additional Rs. 89.24 crores and will affect the tariff and will be a substantial burden to the general consumers.

B. Collection of Grid Support Charge

M/s OPTCL is seeking for levy of Grid Support Charges (GSC) for industries having Captive Generating / Cogeneration Plants which are running in parallel with the Grid of OPTCL.

With regards to the above matter, Hon'ble Commission vide interim Order in Case No. 44/2024 dated 09.07.2024 under para 10 has directed OPTC to submit a consolidated Study Report justifying the levy of GSC on parallel operation of individual CGPs across the State. The relevant extract of the said order is furnished hereunder:

.....
On behalf of the Commission, the Director (Regulatory Affairs), OERC, as Respondent submits that the present application of the Petitioner-OPTCL lacks various data/information to examine the matter for levy of GSC/POC on the industries having Captive Generating/ Co-generation plants which are running in parallel with the Grid of the Petitioner. Therefore, the Petitioner-OPTCL needs to furnish a consolidated Study Report justifying the levy of GSC on parallel operation of individual CGPs across the State, in tune with the following observations:
.....

(Emphasis Supplied)

In view of the above, it is requested before the Hon'ble Commission do the prudence checks on submission of OPTCL and decide the matter suitably.

4. That, OPTCL has raised concerned that, they have not received the Open Charges Application for FY 2026-27 filed by TPNODL. This is to bring into the kind information that as per direction of Hon'ble Commission vide letter dated 17.12.2025, said application has been uploaded into the TPNODL website under the head "Tariff Proceedings" immediately after receiving direction from the Commission. Same applicable is also available on the OERC website for all the shareholders for downloading it.

5. Therefore, Hon'ble Commission is requested to decide the matter keeping in view the interest of the consumers of the state.

6. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

C.C. to: Odisha Power Transmission Corporation Limited, Janpath, Bhubaneswar-751022.

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....Applicant

AND

IN THE MATTER OF: Sri Ali Kishor Patnaik, S/O- Late Gopinat Patnaik, President
TPSODL Consumers Association, Saheed Laxman Nayak
Community Hall, Hillpatna, Berhampu-760005.

..... Objector

**Rejoinder to the objection/suggestions filed by Sri Ali Kishor Patnaik against the
Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed
by TPNODL for the year 2026-27**

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order dated 25.3.2021 in Case No-9/2021 of Hon'ble Commission.
2. **Respondents View/ Objection:** The ARR of all Discom proposes an exuberant in expenditure in employees' cost, Repair & maintenance cost and A&G expenditure, frequent Power Outages.

TPNODL Reply: Every expenditure is supported with detailed backup calculation and proper justification, which will be reviewed by Hon'ble commission as per Regulatory principles before being allowed in the tariff order.

Allegation of the Objector regarding increase in power outage during TATA Power tenure is also not correct. Rather power outage during TATA Power tenure is reduced substantially and also decreasing year by year. This can be observed from the SAIDI

(System Average Interruption Duration Index) and SAIFI (System Average Interruption Frequency Index) are given in below table.

FY	SAIDI (Hrs)	SAIFI (Nos)
2021-22	455.51	680
2022-23	378.39	621
2023-24	348.95	576
2024-25	324.31	526

The above tables clearly show that the interruption in power is reducing gradually year by year. Licensee also provides the pre-shut down information over mike announcement to its valued consumers prior to execution of any major maintenance activity.

3. Respondent's view/objection: The present rate of interest on fixed deposits are around 6% but the consumer is charged 18% for non-payment of bills.

TPNODL Reply: Licensee has never claimed any charge from consumers beyond approval of the Hon'ble Commission for non-payment of monthly bills. Further, this is to bring into the kind information of the Ld. Objector that currently there is no Delayed Payment Surcharge applicable to LT Domestic, LT GP. Currently, for all other consumers applicable DPS is 1.25%. The main objective behind DSP is not to earn profit rather it acts as deterrent for defaulting consumers.

4. Respondent's view/objection: DISCOMs are disconnecting the power supply without proper notice and the same should be stopped immediately. The smart meter is disconnected without proper notice violating OERC directives.

TPNODL Reply: TPNODL is not disconnecting the supply without prior intimation to a bona-fide consumer. Disconnection of power supply is done as per the provision of OERC Distribution (Condition of Supply) Code, 2019 regulation. Licensee always serve proper notice to consumers as per provision of Supply code before disconnection of supply for non-payment of electricity bills. However, objector is requested to bring the individual cases to the notice of the licensee for further clarification. TPNODL also provides the pre-shut down information over mike announcement to its valued consumers prior to execution of any major maintenance activity.

5. Respondent's view/objection: Discom shall give the detail financial benefits derived from the Capex Plan on account of loss reduction and its impact on tariff.

TPNODL Reply: The detailed capex plan along with Detailed Project Report are furnished before the Hon'ble Commission each year as per provision of Vesting Order of licensee and OERC (Terms and Condition for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022. Accordingly, Hon'ble Commission hears it in Public Hearing and issues the order by way of analyzing the inputs from all stakeholders.

The AT&C loss has been reduced from 25.17% in FY 21 to 12.64 % as on FY 25 and the power supply hours have been 23:11 hrs in average during FY 2024-25, the corresponding extra billing and collection are the derived impact of the capital investments done so far. There is no hike in Retail supply tariff in last four years despite of significant increase in Bulk Supply tariff.

6. Respondent's view/objection: The Companies has proposed exuberant rise in A&G which need to be scrutinised by the Commission.

TPNODL Reply: Estimation of A&G expenses during the current year as well as in the ensuing year has been envisaged on account of expenses towards meter reading, billing, collection, IT Automation, AMI operational expenses, Insurance expenses, Professional Charges, Enforcement activities, Customer Care & Call centre expenses and also compensation towards electrical accidents etc. All of these activities would contribute significantly towards reduction of AT&C losses and provide superior customer experience.

Keeping in view the need for substantial reduction of the AT&C Losses, special emphasis was required to improve the billing and collection efficiencies. The licensee has put in place new MBC contract, through reengineering of contract and modality for separated meter reading-billing and collection to increase the consumer coverage. Similarly, billing coverage & collection Efficiency have been maintained at more than 99.25% & more than 99.80% respectively. Percentage of provisional bills have been brought to 1.01% as on H1 of FY-26. Improvement in various parameters are detailed under section 2.7.1 and 2.7.2 of ARR Application FY 2026-27 (**page no.36 & 37**).

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TPNODL reply: The interest on security deposit is allowed by Hon'ble Commission under the provision of OERC Distribution (Conditions of Supply) Code, 2019 vide clause 57(i), the licensee/supplier shall pay interest on SD to the Consumer at the bank rate. Accordingly, while approving ARR of the licensees, the Commission is revising the interest on SD periodically.

8. Respondent's view/objection: Why the poor consumers of Odisha will bear the capital cost or meter rent.

TPNODL Reply: All four Discoms of Odisha had proposed the proposal for Installation of Smart Meter under CAPEX and Abolition of Meter Rent. Further, Hon'ble Commission under para 99 (2) vide Retail Supply Tariff Order dated 24.03.2025 pronounced direction regarding installation of Smart Meters, the relevant extract is reproduced hereunder:

.....
In order to reduce the tariff burden on the consumers due to proposed CAPEX Plan of DISCOMs for smart metering, the State Government intends to provide capital subsidy/grant to the DISCOMs, in a phased manner for consumers with CD up to and including 2 kW towards installation of smart meters. Meter rent from such consumers (with CD up to 2 kW) may not be recovered to encourage speedy implementation of smart metering in the state.
.....

In compliance to the direction of the Hon'ble, Licensee has stopped recovering meter rent against installation of smart meters for consumers up to 2 kW Contract Demands with effect from 1st April' 2025.

9. Respondent's view/objection: True-up exercise of past years must be actual and as per parameter approved by tariff regulations. But it is observed that same claimed in normative basis taking up efficiency gain in Misleading manner.

TPNODL Reply: Licensee has claimed all applicable past year expenditures in its Truing-up application as per norms and regulations set by Hon'ble Commission. Every expenditure is supported with detailed backup calculation and proper justification, which will be reviewed by Hon'ble commission as per Regulatory principles before being allowed in the tariff order. Furthermore, Licensee also submits the Audited Financial Statement of past years along with application for prudent checks by Hon'ble Commission.

10. Respondent's view/objection: Non-tariff income such as rebate to the consumer, supervision charges, over drawl penalty & DPS should be passed on the consumer in full instead of 1/3rd proposed by all Discoms.

TPNODL Reply: This is to bring into kind information of the Ld objector that supervision charges, over drawl penalty & DPS are part of the non-tariff income.

Further, as per regulation 5.9 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022, the amount of Non-Tariff Income relating to the Retail Supply of electricity as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in calculating the tariff for retail supply of electricity of the Distribution Licensee. Therefore, treatment of Non-tariff income is being done as per the provision of OERC Tariff Regulation-2022.

11. Respondent's view/objection: The current revenue gap proposed by Discoms has to be examined. The income tax and RoE has not separately shown in the proposed gap.

TPNODL Reply: This is to bring into kind information of the Ld Objector that, the income tax and RoE both are shown separately in the ARR application for FY 2026-27. Objector may please be referred to Format F-6 of ARR application for details.

12. Respondent's view/objection: Regarding Capital Investment

TPNODL Reply: Company prepares detailed project report (DPR) for capital expenditure and it is submitted to Hon'ble Commission for approval. Commission after detailed examination, issues an approval order to spend capex under various heads such as Safety, Reliability, Load Growth, Technology & Civil Infrastructure, Administration. All those DPR consist of many items which forms part of capital assets (CAPEX). In accounting and commercial parlance, an item of product/material by itself doesn't represent as opex/capex, rather it depends on the nature of uses of that item of product/material. IND AS 16 (issued by MCA), deals with this and it lays down specific criteria to recognize an item of expenditure as CAPEX. Criteria are:

- a) it is probable that future economic benefits associated with the item will flow to the entity; and
- b) the cost of the item can be measured reliably.

IND AS also gives liberty to an entity to use its judgement in applying the recognition criteria to an entity's specific circumstances.

Another factor is one of the fundamental principles of accounting is “materiality”. An entity may decide to expense (Opex) an item that could otherwise have been a capital expenditure (Capex) because the amount of expenses is not material.

Nature of use as well as materiality is the prime governing principle to decide an item of expenditure to be of opex/capex. Company follows sound principle of materiality and consistency with robust processes around CAPEX/OPEX. It is entitled for ROE, depreciation and interest only on the Capex approved by Hon'ble OERC.

13. Respondent's view/objection: Levy of DPS to domestic and GP consumers as proposed by all the Discoms.

TPNODL Reply: The respondent License has provided the detailed justification under para 9.2 of the ARR & Tariff application towards approval for Levy of DPS to domestic and GP consumers. Hon'ble Commission may suitably decide the matter.

Further, this is to bring into the kind information of the Ld. Objector that currently there is no Delayed Payment Surcharge applicable to LT Domestic, LT GP for all other consumers applicable DPS is 1.25%, the main objective behind DSP is not to earn profit rather it acts as deterrent for defaulting consumers.

14. Respondent's view/objection: Proposal for revision of reconnection charges

TPNODL Reply: Licensee has not proposed any such proposal before Hon'ble Commission regarding revision of reconnection charges for ensuing year.

15. Respondent's view/objection: Proposal for utilization of security deposit towards capital works of the Discoms.

TPNODL Reply: Licensee has not proposed any such proposal before Hon'ble Commission regarding utilization of security deposit towards capital works of the Discoms for ensuing year.

16. The justification behind other tariff rationalization measures have been elaborated in the application of the applicant.

17. That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred by the objector for further clarification.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

**Cc to: Sri Ali Kishor Patnaik, S/O- Late Gopinat Patnaik, President TPSODL
Consumer Association, Saheed Laxman Nayak Community Hall, Hillpatna,
Berhampu-760005. E-mail: alikishorpatnaik@gmail.com.**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.
.....**Applicant**
AND

IN THE MATTER OF: Saraswati Educational & Charitable Trust, K-8-82, Kalinga Nagar,
Ghatikia, Bhubaneswar-751029, trust12@gmail.com,
Phone-9163040589**Respondent**

**Rejoinder to the objection filed by Saraswati Educational & Charitable Trust on the
Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application filed by
TPNODL for the FY 2026-27**

1. That, TPNODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2026-27 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004 .
Reply to the points raised by the Ld. Objector are furnished hereunder.
2. **Respondent's view /suggestion:** Ensuring affordability is essential so that the cost of power and service connection charges gradually reduce overtime.

TPNODL Reply: It is submitted that Tariff, service connection charges and other consumer-related charges are determined and approved by the Hon'ble Commission after balancing the interests of consumers and the financial sustainability of the distribution sector. TP DISCOMs remains committed to operating in accordance with the objectives of the PPP model and shall comply with all directions of the Hon'ble Commission in ensuring reliable, quality and affordable power supply to support households, industries, MSMEs and overall economic development of the State.

3. **Respondent's view /suggestion:** Demand Side Management

TPNODL Reply: The suggestion on demand-side management (DSM), engagement of ESCOs, involvement of NGOs and enhanced CSR activities, It is submitted that such initiatives are aligned with the broader objectives of efficiency improvement, consumer engagement and sustainable operations. Implementation of DSM programmes and related initiatives is undertaken in accordance with applicable regulations and subject to approval and directions of the Hon'ble Commission.

TP DISCOMs remains committed to improving reliability of supply, strengthening consumer interface and addressing behavioural and operational challenges through structured interventions, while complying with all regulatory requirements and directions of the Hon'ble Commission.

4. Respondent's view /suggestion: The Licensee has failed to develop and maintain a robust and comprehensive consumer database capturing essential particulars.

TPNODL Reply: TP DISCOMs submits that it is maintaining consumer and system-related data in accordance with the provisions of the OERC Wheeling and Retail Supply Tariff Regulations, 2022 and other applicable regulations. The data submitted in the ARR, including number of consumers, category-wise sales, demand, losses and projections, is based on available records, system studies and approved methodologies and is subject to scrutiny by the Hon'ble Commission.

TP DISCOMs submits that development and strengthening of data systems is a continuous process, particularly in a transitioning distribution environment. TP DISCOMs is undertaking ongoing initiatives to enhance the robustness, granularity and validation of consumer and network data through system digitisation, metering, IT applications and process improvements, in line with the requirements of Regulation 5.3.4.

It is further submitted that sales forecasting and demand projections are carried out using Commission-approved approaches and are examined by the Hon'ble Commission on prudence basis during ARR and Tariff proceedings. Any gaps or additional requirements identified by the Hon'ble Commission are duly addressed through compliance submissions and future filings

5. Respondent's view /suggestion: DPS on LT Domestic, LT GPS, and HT Bulk Supply (Domestic consumer) should not be permitted.

TPNODL Reply: TP DISCOMs submits that the levy of Delayed Payment Surcharge (DPS) is governed by the provisions of the Electricity Act, 2003 and the applicable regulations and Tariff Orders issued by the Hon'ble Odisha Electricity Regulatory Commission. The proposal relating to DPS has been made in accordance with the prevailing regulatory framework and is subject to approval of the Hon'ble Commission.

6. Respondent's view /suggestion: Digital Rebate

TPNODL Reply: TP DISCOMs submits that the digital rebate has been proposed in accordance with the applicable regulatory framework and with the objective of promoting digital modes of payment, improving billing and collection efficiency and enhancing consumer convenience. The implementation of the digital rebate is subject to approval of the Hon'ble Odisha Electricity Regulatory Commission.

7. Respondent's view /suggestion: An Additional Rebate of Rs. 10/-per month to may be allowed to consumer who opt for e-bill.

TPNODL Reply: TP DISCOMs submits that the proposal for providing an additional rebate to consumers opting for E-bill and to eligible smart meter consumers has been made with the objective of promoting digital communication, reducing paper usage, improving billing efficiency and enhancing consumer convenience. The proposal is subject to approval of the Hon'ble Odisha Electricity Regulatory Commission.

8. **Respondent's view /suggestion:** Licensee may be directed to clarify the total number of consumer who opt for e-bill.

TPNODL Reply: TP DISCOMs shall abide by the directions of the Hon'ble Commission in this regard.

9. **Respondent's view /suggestion:** Reconnection Charges should be abolished prepaid/postpaid smart meter and for existing standard meters and the reconnection charges should be reduced considering the higher employee cost allocation to Discoms by the Hon'ble Commission.

TPNODL Reply: TP DISCOMs submits that the reconnection charges have been approved by the Hon'ble Commission through earlier Tariff Orders after due prudence check and are levied strictly in accordance with the approved Schedule of Charges. The said charges are intended to recover reasonable costs associated with disconnection and reconnection activities, including field operations, system access, safety compliance, and administrative processes.

TP DISCOMs submits that comparison with telecom services is not appropriate, as electricity distribution involves physical network intervention, safety-critical operations, and statutory obligations distinct from telecom services.

Any proposal for abolition or rationalisation of reconnection charges, including for prepaid/postpaid smart meters, falls within the jurisdiction of the Hon'ble Commission. TP DISCOMs shall levy charges strictly as approved and shall comply with the directions of the Hon'ble Commission.

10. **Respondent's view /suggestion:** The Charges levied by Discoms for service connection charges for three phase connections which seems to be at a higher side hence should be reviewed & reduced if applicable.

TPNODL Reply: Any review or rationalisation of service connection charges falls within the jurisdiction of the Hon'ble Commission. TP DISCOMs shall levy charges as approved and shall comply with any directions issued by the Hon'ble Commission.

11. **Respondent's view /suggestion: Display of Official Phone no/E-mail address instead of personal E-mail ID & Phone No.**

TPNODL Reply: On TPNODL Website, contact details of Circle heads, Division heads and contact number for various services have been provided through which consumer can reach us.

12. Respondent's view /suggestion: Discoms to establish and enforce safety protocols and S0P for the installation of telecom cables, ensuring the integrity of the power infrastructure.

TPNODL Reply: Licensee never allows any telecom company to lay their cables through the electric poles unauthorizedly which creates un-safe conditions. Any rental income generated from the telecom company is accounted properly as per the OERC tariff regulation 2022.

13. Respondent's view /suggestion: Other Issues

TPNODL Reply:

- (i) The status of PM Surya Ghar Scheme, Kusum-A & Kusum-C till Sept-25 is furnished below.

Following is the status of PM Surya Ghar Scheme under TPNODL as on 30.09.2025:

Sr. No.	Particulars	UoM	Quantity
1.	Total no. installation	Nos	2504
2.	Total Capacity	MW	7.90
3.	Total Energy Generated	MU	3.62

(A) **Progress under PM KUSUM-A:** Under PM KUSUM –A , PPA executed for four no. of projects with allotted capacity 2MW each. Out of the above, 11KV line work is under execution in the project under RED, Rairangpur. LOA has been issued for another four numbers of projects under AED, Anandpur, KuED, Kuakhia, BED, Balasore and RED, Rairangpur.

(B) **Progress under PM KUSUM-C:** PPA executed for three numbers of projects under JOED, Joda, JED, Jaleswar and KUED, Kuakhia for a total capacity of 2.69MW as on September ,2025.

(ii) The Licensee adheres to the rules and regulation and the provisions of the Act. The licensee will comply to every guideline that will be issued by Hon'ble Commission. Therefore allegation of Ld. Objector that Discoms are invoking Section 126 of the Act to book consumer and disconnections without the issuance of provisional assessments is not correct. If such instant has taken place Ld. Objector can bring to the Discoms notice.

(iii) The Hon'ble Commission may give the necessary direction for course of hearing in GRF and Ombudsman be conducted in Hybrid Mode and regularisation of

Contractual staff in Hon'ble OERC office and Ombudsman office. The Licensee will adhere with direction of the Hon'ble Commission.

- (iv) As per section 135 of the Companies Act, 2013, it is mandatory for the companies to comply with the CSR provisions and are required to spend a minimum of 2% of their net profit over the preceding three years as CSR. Board of TPNODL has formed a CSR Committee which is empowered to direct and approve areas where CSR budget can be spent in order to maximise the benefit to society in Odisha. Need assessment through a structured process, being done to identify the areas of importance and the same is placed before the CSR committee for their perusal and approval. This ensures the channelizing the benefit to the section of society which need CSR. All the CSR expenditure are being placed before the CSR committee meeting and being discussed at length and comparison also done against the approved budget. Impact assessment of the CSR expenditure society is also undertaken. Company has a robust system of procurement to pay process and thereby making every expenditure to undergo a maker and checker process. Also, Company has robust internal audit system being conducted by renowned firm to ensure the reasonableness and governance built around the process and all the expenditure are subjected to their audit scope.
- (v) **Respondent's view /suggestion:** Amnesty scheme for clearance of Arrears of Pre-Vesting period.

TPNODL Reply:- The Respondent Discom would like to submit before the Hon'ble Commission that the Petitioner along with the Discoms have already submitted the application for approval of the AAC scheme on 02.01.2026 for kind consideration and approval of the Commission.

14. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

Cc to: Saraswati Educational & Charitable Trust, K-8-82, Kalinga Nagar, Ghatikia, Bhubaneswar-751029, trust@gmail.com, Phone-9163040589

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, SHAILASHREE VIHAR,
BHUBANESWAR**

Case No. 124/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**

AND

IN THE MATTER OF: Sri Prasanna Kumar Chhotoray, Opposite to Circuit House, Railway Station Road, Brhampur-760005, Ganjam.

..... **Objector**

Rejoinder to the objection/suggestions filed by Sri Prasanna Kumar Chhotoray against the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2026-27

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order dated 25.3.2021 in Case No-9/2021 of Hon'ble Commission.
2. **Respondents View/ Objection:** The ARR of all Discom proposes an exuberant in expenditure in employees' cost, Repair & maintenance cost and A&G expenditure, frequent Power Outages.

TPNODL Reply: Every expenditure is supported with detailed backup calculation and proper justification, which will be reviewed by Hon'ble commission as per Regulatory principles before being allowed in the tariff order.

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(System Average Interruption Duration Index) and SAIFI (System Average Interruption Frequency Index) are given in below table.

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3. **Respondent's view/objection: The present rate of interest on fixed deposits are around 6% but the consumer is charged 18% for non-payment of bills.**

TPNODL Reply: Further, as per regulation 5.9 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022, the amount of Non-Tariff Income relating to the Retail Supply of electricity as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in calculating the tariff for retail supply of electricity of the Distribution Licensee. Therefore, treatment of Non-tariff income is being done as per the provision of OERC Tariff Regulation-2022

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Keeping in view the need for substantial reduction of the AT&C Losses, special emphasis was required to improve the billing and collection efficiencies. The licensee has put in place new MBC contract, through reengineering of contract and modality for separated meter reading-billing and collection to increase the consumer coverage. Similarly, billing coverage & collection Efficiency have been maintained at more than 99.25% & more than 99.80% respectively. Percentage of provisional bills have been brought to 1.01% as on H1 of FY-26. Improvement in various parameters are detailed under section 2.7.1 and 2.7.2 of ARR Application FY 2026-27 (**page no.36 & 37**).

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.....

In compliance to the direction of the Hon'ble, Licensee has stopped recovering meter rent against installation of smart meters for consumers up to 2 kW Contract Demands with effect from 1st April' 2025.

9. Respondents View/ Objection: There should be no tariff hike.

TPNODL Rejoinder: The tariff to be charged from different consumer categories as per Supply Code Chapter IX Section 141 to 146 is to be determine by Hon'ble Commission based on sales and expenditure for the ensuring year 2026-27. ARR filed by TPNODL strictly as per provisions of Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, which is under review of Hon'ble Commission.

10. Respondent's view/objection: The true up expenses of past year must as per actual and as per regulation and income tax and tax on equity.

TPNODL Reply: As per provision of Regulation 2.6.6 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022, licensee files combined application every year for approval of Truing up of previous year; Annual Performance Review (APR) (considering actual performance of first 6 months and projection for next / subsequent 6 months of the year) for current year, Annual Revenue Requirement (ARR) for determination of tariff for ensuing financial year. Licensee also submits before Hon'ble Commission the annual audited financial statement along with Truing up application for prudence checks.

The tax on return on equity (RoE) @ 25% is a standard in the sector and ensures financial viability. Further most of the State Regulators across the country has specified Return on equity for Distribution companies @ 16%. State like Andhra Pradesh, Assam, Chhattisgarh, Punjab, Rajasthan, West Bengal etc. having existing RoE @ 16%. Further, Over Drawl Penalty, Supervision charges DPS etc. are part of the Non-Tariff incomes, same are being treated as per provisions of the OERC Tariff Regulation-2022.

Further, this is to mentioned here that the AT&C loss has been reduced from 25.17% in FY 21 to 12.64 % as on FY 25 and the power supply hours have been 23:11 hrs in average during FY 2024-25, the corresponding extra billing and collection are the derived impact of effective utilization of O&M expenses and capital investments done so far. There is no hike in Retail supply tariff in last four years despite of significant increase in Bulk Supply tariff

11. Respondent's view/objection: Non-tariff income such as rebate to the consumer, supervision charges, over drawl penalty & DPS should be passed on the consumer in full instead of 1/3rd proposed by all Discoms.

TPNODL Reply: This is to bring into kind information of the Ld objector that supervision charges, over drawl penalty & DPS are part of the non-tariff income.

Further, as per regulation 5.9 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022, the amount of Non-Tariff Income relating to the Retail Supply of electricity as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in calculating the tariff for retail supply of electricity of the Distribution Licensee. Therefore, treatment of Non-tariff income is being done as per the provision of OERC Tariff Regulation-2022. **Respondent's view/objection: The current revenue gap proposed by Discoms**

has to be examined. The income tax and RoE has not separately shown in the proposed gap.

TPNODL Reply: This is to bring into kind information of the Ld Objector that, the income tax and RoE both are shown separately in the ARR application for FY 2026-27. Objector may please be referred to Format F-6 of ARR application for details.

- 12.** The justification behind other tariff rationalization measures have been elaborated in the application of the applicant.
- 13.** That, the reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement, Wheeling and Retail Supply Tariff Application filed by TPNODL for the year 2026-27 have been placed in **TPNODL website www.tpnodl.com**, which may please be referred by the objector for further clarification.

For and on behalf of

TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

Cc to: Sri Prasanna Kumar Chhotoray, Opposite to Circuit House, Railway Station Road, Brhampur-760005, Ganjam. E-mail: prasannachhotray@gmail.com.

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
PLOT NO. 4, CHUNUKOLI, AILASHREE VIHAR,
BHUBANESWAR**

Case No. 127/2025

IN THE MATTER OF: TP Northern Odisha Distribution Ltd (TPNODL), Januganj, Odisha.

.....**Applicant**

AND

IN THE MATTER OF: M/s. Indus Towers Limited, 2nd Floor, Plot No. C-3/2, Chandaka Industrial Area, Chandrasekharpur, Bhubaneswar- 751021.

.....**Objector**

Rejoinder to the objection filed by M/s Indus Towers Limited, on the Aggregate Revenue Requirement & Wheeling and Retail Supply Tariff Application and LT Open Access Charges Application filed by TPNODL for the FY 2026-27

1. TPNODL took over the license to distribute electricity in the five districts Balasore, Mayurbhanj, Bhadrak, Keonjhar and Jajpur districts of northern Odisha, which were earlier served by erstwhile NESCO Utility. With the delivery of utility of NESCO to TPNODL, the Licence of NESCO Utility stood transferred to TPNODL with effect from 01.04.2021 as per the Vesting Order of Hon'ble Commission. Para wise reply to the points raised by the respondent on the ARR application of the licensee are furnished hereunder.

2. **Respondent's view/objection:** Regarding Green Energy Open Access in Odisha

TPNODL Reply: The purpose of Green Energy Open Access (GEOA) rules is to accelerate India's renewable energy transition by enabling commercial and industrial (C&I) consumers to buy clean power directly from generators, bypassing local utilities, thereby ensuring affordable, reliable, green energy, cutting emissions, and reducing power costs through simplified procedures, lower entry barriers (down to 100 kW), and clear charges for grid usage. These rules empower consumers to choose green sources, promote competition, and support national clean energy goals.

In line with the Ministry of Power Green Energy Open Access (GEOA) Rules' 2022, OERC has also notified Odisha Electricity Regulatory Commission (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023 on 11th January' 2023 for promoting Renewable Energy in the state of Odisha.

Considering all applicable guidelines specified in said regulations, Licensee has prepared and filed application before Hon'ble Commission for determination and approval of Wheeling Charges, Wheeling Losses, Cross Subsidy Surcharge for LT Consumers intended to avail green power through Open Access. It is requested before Hon'ble Commission to decide the matter suitably and issue necessary implementation direction in this regard.

3. Respondent's view/objection: Industrial Tariff for Telecom Sector

TPNODL Reply: A consumer is categorized depending upon purpose for which power is utilized. The purpose of use and category of consumer has been defined in clause 138 of Odisha Electricity Regulatory Commission Distribution (Conditions of Supply) Code, 2019. As per clause, Industrial Category is applicable where power is substantially utilized as motive force for industrial production. Since the use of power by the objector is not for industrial purpose, industrial tariff will not be applicable as per the defined supply code.

4. The, reply to the queries of the Hon'ble OERC regarding the Aggregate Revenue Requirement & Tariff Application filed by TPNODL for the year 2026-27 have been placed in TPNODL website www.tpnodl.com, which may please be referred.

For and on behalf of
TP Northern Odisha Distribution Ltd

Sr. GM (Risk, Regulatory & Legal)

C.C. to: M/s. Indus Towers Limited, 2nd Floor, Plot No. C-3/2, Chandaka Industrial Area, Chandrasekharpur, Bhubaneswar- 751021.