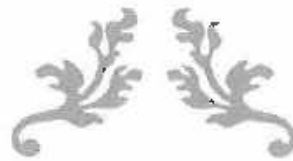


**TPWODL**  
**TP WESTERN ODISHA DISTRIBUTION LIMITED**  
(A Tata Power and Odisha Government Joint Venture)



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**REJOINDER TO OBJECTION  
RECEIVED AGAINST AGGREGATE  
REVENUE REQUIREMENT AND  
TARIFF APPLICATION FOR THE  
YEAR 2023-24**

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**(OERC CASE NO. 80 OF 2022)**



**TP WESTERN ODISHA DISTRIBUTION LIMITED**  
(A Tata Power and Odisha Government Joint Venture)  
Regd./Corp Office: Burla, Dist. Sambalpur, Odisha - 768 017  
Website: [www.tpwesternodisha.com](http://www.tpwesternodisha.com) Email: [tpwodl@tpwesternodisha.com](mailto:tpwodl@tpwesternodisha.com)  
Corporate Identification Number (CIN): U40109OR2020PLC035230 Telephone No: 0663-2431984 Fax No: 0663-2432113

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BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION BHUBANESWAR  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021

IN THE MATTER OF:

Case No 80 of 2022

Rejoinder of the objection raised by objectors against ARR application for FY2023-24 vide case no. 80 of 2022.

AND

IN THE MATTER OF

TP Western Odisha Distribution Limited

Corporate Office-Burla, Sambalpur-768017.

-----Licensee

Affidavit verifying the rejoinder to the application for the Aggregate Revenue Requirement and Tariff Application for the FY 2023-24.

I, Kshirod Chandra Nanda, Son of Late Radhanath Nanda, aged about 53 years, residing at, Burla, Sambalpur, Odisha do hereby solemnly affirm, and state as follows: -

Sl. No. 261

Dt. 17/02/2023

17/02/2023

K.P. MISHRA

Notary

Reg. No. ON-23/94

Sambalpur Odisha

I am the General Manager (RA & Strategy) of TPWODL, Corporate Office- Burla, Sambalpur, Odisha-768017.

That, I am authorized representative of TPWODL, the applicant in the instant case and competent to swear this affidavit for and on behalf of the licensee.

The statements made above along with the rejoinders are true to the best of my knowledge and the statements made are based on information and records and I believe them to be true.

Place: Sambalpur The deponent solemnly affirms Kshirod Chandra Nanda

Date: 17/02/23 today at 7:05 A.M./P.M

DEPONENT

GM (RA & Strategy)

K.P. MISHRA  
NOTARY  
Reg. No. ON-23/94  
SAMBALPUR

17/02/2023

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

01

**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office – Burla, Sambalpur, Odisha – 768017

**AND**

**In the matter of:** Shri Ramesh Ch. Satpathy, aged about 78 years, Plot No. 302(B), Beherasahi, Nayapally, Bhubaneswar – 751012, Dist. – Khurda, being the president of Upobhokta Mahasangha, Bhubaneswar & the Secretary of National Institute of Indian Labour.

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

Point wise reply for the objection raised by objector are appended below: -

- 1. Respondent's view/objection:** The Petitioner should produce division wise detail expenditure on different approved CAPEX scheme for FY 2020-21 & FY 2021-22.

**TPWODL Rejoinder:** As per commitment in the bid document and subsequent direction in the vesting order, TPWODL had submitted its CAPEX plan before the Hon'ble Commission on 10.02.2021 for an amount of Rs.462 Cr. However, the Hon'ble Commission vide its Orders dated 18.09.2021 & 08.07.2022 in Case No. 7 of 2021 & Case No. 101 of 2021 had approved the CAPEX for FY 2021-22 for an amount of Rs. 333.13 Cr. and for FY 2022-23 for an amount of Rs. 477.72 Cr. respectively under different heads. Cumulatively till FY 2022-23, total CAPEX approved is Rs. 810.85 Cr.

TPWODL has also proposed a CAPEX of Rs. 516.39 Cr. for FY 2023-24 in its CAPEX plan submitted before the Hon'ble Commission. Further to the above, the Hon'ble Commission in para 57(c) of the CAPEX Order for FY 2021-22 and para 67(k) of CAPEX Order for FY 2022-23 had directed to submit quarterly progress report of approved CAPEX plans which in turn is being complied consistently by TPWODL.

As regards to progress of CAPEX for FY 2021-22 & FY 2022-23, it is appended as below:

FY 2021-22					(Rs. Cr.)
Sl. No.	Particulars	Capex Approved by OERC	Capitalized till Mar'22	Capitalized during FY 22-23 (till 14.11.22)	Expected Capitalisation for FY 22-23
A	Statutory, Safety and Security	98.48	28.17	17.83	52.48

FY 2021-22					(Rs. Cr.)
Sl. No.	Particulars	Capex Approved by OERC	Capitalized till Mar'22	Capitalized during FY 22-23 (till 14.11.22)	Expected Capitalisation for FY 22-23
B	Loss Reduction	42.48	10.01	2.36	30.11
C	Network Reliability	48.91	2.56	3.04	43.31
D	Load Growth	39.71	3.65	4.77	31.28
E	Technology and Civil Infrastructure	103.55	72.99	8.68	21.88
F	Total	333.13	117.39	36.68	179.06

FY 2022-23					(Rs. Cr.)
Sl. No.	Particulars	Capex Approved by OERC	Capitalized during FY 22-23 (till Oct-22)	Expected Capitalisation for FY 22-23	Proposed Capitalisation for FY 23-24
A	Statutory, Safety and Security	52.4	5.34	26.53	20.53
B	Loss Reduction	46.8	0.51	32.25	14.04
C	Network Reliability	118.34	0.32	76.6	41.42
D	Load Growth	145.57	2.58	92.04	50.95
E	Technology and Civil Infrastructure	114.61	6.4	73.83	34.38
F	Total	477.72	15.15	301.25	161.32

2. **Respondent's view/objection:** Petitioner should submit the detail particulars of 33/11 KV sub-station under ODSSP scheme and average demand of the area. If the average demands are more, what steps the licensee has taken. If the average demands are less, what steps the licensee has taken.

**TPWODL Rejoinder:** TPWODL would like to submit that under ODSSP scheme, WESCO Utility was allotted for 142 Nos. of 33/11 KV substations. In order to reduce the lengthy 11 KV lines and associated loss therein, new 33/11 KV substations have been created. The existing 11 KV lines are accordingly linked from the newly created 33/11 KV substations to the nearby 11 KV lines. Out of 142 nos. of 33/11 KV substations, there are only 7 nos of substations are still pending to be test charged/ handed over. The details of such pending Substations are as under:-

Under SBP Electrical Division:- At Remed

Under Titlagarh Electrical Division:- At Julen Bagh

Under Sonepur Electrical Division:- At Deoul Padar

Under Jharsuguda Electrical Division:- At Ringi Tikra &

Buromal

Under Brajraj Nagar Electrical Division:- At Gandhi Chhak,

Under Sambalpur East Electrical Division: At Maneswar

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The Utility expects that by end of FY 2022-23 almost all works would be completed.

3. **Respondent's view/objection:** Petitioner should produce the actual manpower in regular cadre of Executives, Non-executives now functioning in TPWODL under different divisions. Petitioner should submit division wise list of BAs functioning under TPWODL & the list of workers working under said BAs. Petitioner should submit detail particulars in each workmen working through different BAs as per categorization of Labour & Employment Dept., Govt. of Odisha. No service condition has yet been prepared by TPWODL for workers working in different BAs

**TPWODL Rejoinder:** The information desired by the objector has already been provided through ARR application FY 23-24.

Before taken over, Erstwhile WESCO has on its rolls, 2,388 (Two thousand three hundred and eighty-eight) number of regular employees. TPWODL has added 514 nos till march-22 and during current year estimated to be added another 693 nos. For the ensuing year the company has projected for 761 nos. Considering retirement, resignation, separation/death etc the no estimated no to be as on March-24 is 3861. The details are provided in form F-12(C) of ARR filing. The company has given preference to Odia speaking people while hiring and as on date we are having 88% of employees who are from Odisha.

Outsourcing employees are continuing since long & not introduced by TPWODL. TPWODL has also executed contracts with third party agencies and assigned various activities like MBC, 33 kV maintenance, 11 kV maintenance, enforcement etc. on job contract basis. No such employee has been outsourced in TPWODL payroll for which service regulation/condition is required.

TPWODL submits that the total no. of recruitment including deputed personals is well within the approval of the Board/ Hon'ble Commission.

4. **Respondent's view/objection:** Petitioner should produce division wise details of nos. of poles & conductor of different sizes in Kms. that are changed & treated as scrap materials.

**TPWODL Rejoinder:** TPWODL submits that details of scrap disposal/ identified for disposal are already being intimated to the Hon'ble Commission on a regular basis.

5. **Respondent's view/objection:** Petitioner has to submit how many electrical accidents took place in different divisions of TPWODL. How many workers, consumers & animals died in course of electrical accidents & whether the compensation have paid or not.

**TPWODL Rejoinder:** TPWODL submits that the details w.r.t the electrical accidents are already being submitted to the Hon'ble Commission at the time of Half yearly/ Annual Performance Review of the DISCOMs.

Particulars	Q1	Q2	Q3	Q4 (FY 23)	Total
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	(FY 23)	(FY 23)	(FY 23)	(till date)	
Fatal – Human	1	0	0	0	1
Fatal Animal	16	5	1	0	22
Non-Fatal – Human	6	8	6	1	21
Non-Fatal - Animal	0	0	0	0	0

Also, as directed by the Hon'ble Commission at Para No. 8 of the SOP Regulations, 2004, the Licensee has conducted third party audit of the SOP for 6 electrical divisions for FY 2021-22 and the audit reports have already been shared with the Hon'ble Commission.

For and on behalf of TPWODL

GM (RA & Strategy)

Place:

Date:

C.C. Shri Ramesh Ch. Satpathy, aged about 78 years, Plot No. 302(B), Beherasahi, Nayapally, Bhubaneswar – 751012, Dist. – Khurda, being the president of Upobhokta Mahasangha, Bhubaneswar & the Secretary of National Institute of Indian Labour.

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13 FEB 2023  
NOTARY  
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Note- This is also available at the Licensee's website – <https://www.tpwesternodisha.com>



**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

02

**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office – Burla, Sambalpur, Odisha – 768017

**AND**

**In the matter of:** Reliance Jio Infocomm Limited Wing A&B, First Floor, Fortune Tower,  
Chandrasekharpur, Bhubaneswar, Odisha - 751023

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

TPWODL reply for the objection raised by objector are appended below: -

1. **Respondent's view/objection:** State Electricity Board Tariff Orders to kindly consider Telecom Industry electricity tariff under Industrial rates rather than the commercial rates to bring the tariff on par with the IT Services and other industries.

**TPWODL Rejoinder:** The licensee submits that the learned objector has requested for consideration of billing to them under Industrial category instead of General Purpose (Commercial). They have also stated that in Andhra Pradesh they are billing under industrial segment. In this context it is to state that, telecom industries (Towers) as covered under General purpose category as per existing OERC Distribution (Conditions of Supply) Code, 2019 under Chapter-VIII (Classification of Consumer). As regards to tariff of different other states is appended below:-

	States	Industrial Rate	Commercial Rate
1	Chhattisgarh	Rs. 5.15 per kW per month	Rs. 7.55 per kW per month
2	Andhra Pradesh	Rs. 6.70 per kW per month	Rs. 10.15 per kW per month
3	Bihar	Rs. 6.40 per kVAh per month	Rs. 7.40 per kW per month
4	Maharashtra	Rs. 6.05 per kW per month	Rs. 10.79 per kW per month
5	Delhi	Rs 7.75 per kW per month	Rs. 8.50 per kVAh per month

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From the above table it can be seen that other states have higher Industrial rate and commercial tariff for same load whereas Odisha has cheaper commercial rate. In Odisha if

power supply in LT, then slab rate is applicable, where rate of initial slab is Rs.5.90 per unit and in case of HT supply the rate for consumption up to 60% LF is Rs.5.85 per unit and for consumption of more than 60% LF it is as cheaper as Rs.4.75 per unit.

It is further to state that the nature of business of Telecom Company is neither carrying out any process of manufacturing or supply or production of any goods rather it is simply rendering services to the customers as like of any consumers billed under commercial rates. Therefore, the present applicable GP rate for Telecom segment is appropriate.

For and on behalf of TPWODL



GM (RA & Strategy)

Place:

Date:

C.C. Reliance Jio Infocomm Limited Wing A&B, First Floor, Fortune Tower,  
Chandrasekharpur, Bhubaneswar, Odisha - 751023

PART OF AFFIDAVIT  
*[Signature]* 12/02/2023  
NOTARY  
Regd. No. ON 23/94  
SAMBALPUR:ORISSA

Note- This is also available at the Licensee's website - <https://www.tpwesternodisha.com>

03

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

**Case No.80 of 2022**

**IN THE MATTER OF:** TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

**AND**

**IN THE MATTER OF:** M/s. Scan Steels Ltd. Unit-III having its Regd Office at No. 104, 105, E-Square, Subhash Road, Opp Havmore Ice cream, Vile Parle (East), Mumbai-400057, works at- Bai Bai, Tudalaga Bargaon, Dist- Sundargarh (Odisha), Email: [scansteels@scansteels.com](mailto:scansteels@scansteels.com), Mob: 7064104663

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

Point wise rejoinder for the objection raised by objector are appended below: -

**1. Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to

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maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified. Considering the expenses of existing employees including terminal dues of pensioners/ family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e. Rs. 614.97 Cr. for FY 2023-24 may please be approved.

Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

2. **Respondents View/ Objection:** The Respondent has provided the summary of R&M expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the R&M expense vide page no. 78 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has provided the summary of A&G expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification and head wise break up regarding the A&G expense vide para 2.5 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has furnished the summary of depreciation cost for last twelve years and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the depreciation cost vide para 2.9 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** TPWODL has proposed for transmission charge, wheeling charge and cross subsidy on RE power through Open Access. Whereas recently Odisha Govt. has published Odisha Renewable Energy Policy, 2022, there is a provision of reduced charges and no CSS on RE by industries. Hon'ble OERC has been requested to be guided by RE policy, 2022.

**TPWODL Rejoinder:** As per para 23.5 of RE Policy, 2022, no CSS shall be applicable to industries on harnessing RE power through GRIDCO, which appears to be a different mechanism than prevailing Open Access. Further, as per RE policy the benefit is being extended only when it is generated inside the state of Odisha during the policy period.

On other hand, MoP, Govt has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that.

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows,*

*namely:-*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load*

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NOTARY

Regd. No. ON 23/94  
SAMBALPUR: ORISSA

*Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*

However, Hon'ble Commission may take a judicious decision in this regard,

- 3. Respondents View/ Objection:** The respondent conveys its gratitude towards Hon'ble Commission for extending special rebate to the steel industries and Proposes a change in the allowed rebate:

	CD upto 6 MVA	CD above 6 MVA
For L.F of $\geq 65\%$ to 70%	10% on EC	
For L.F of $>70\%$ to 80%	15% on EC	8% on EC
For L.F of $>80\%$	20% on EC	10% on EC

**TPWODL Rejoinder:** TPWODL has submitted the proposal to continue the special rebate with more clarity on applicability of it.

However, the respondent states that to operate at the approved LF rebate is difficult and has proposed a change in LF rebate mechanism as described in the above para.

Hon'ble Commission may take a suitable decision in this regard.

**Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal.

**TPWODL Rejoinder:** The modification suggested by the respondent are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.	An additional discount of 50 p/unit on entire energy charges may be provided for the unit who will start their operation in FY 2022-23.
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 23-24.	The industry has to start with lower load and should be allowed for CD reduction while starting.
Double incentive not to be given	The closed industries availing this revival discount should be eligible for additional discount and load factor incentives as submitted above and other tariff structure related to the operating industries.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s)/other stakeholders. But as per the modifications suggested by the respondent, it

appears to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopens with a lower load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

4. **Respondent's view/objection:** Tariff for industrial consumers of this state are continuously higher as compared to other consumer category at the same voltage level having lower load factor since many years. Hon'ble Commission should make an effort for rationalization of tariff based on voltage level, load factor, power factor, total consumption from 2023-24.

**TPWODL Rejoinder:** The respondent has claimed that the providing concessional tariff to consumer categories like Bulk supply domestic/ Allied Agro is beyond the scope of Electricity Act and suggested that subsidy if any should be directly given by the Govt. of Odisha in spite of Hon'ble OERC through tariff structure.

In this context it is to submit that, Govt of Odisha has taken a stand and Instead of proding tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

5. **Respondent's view/objection:** Hon'ble commission is requested to re-introduce the 3-slab based graded incentive tariff in the FY 2023-24

**TPWODL Rejoinder:** The 3-slab based graded incentive tariff mechanism is not actually beneficial indeed even it complicates the billing mechanism. Further, in 3 slab mechanism the difference in slab tariff was negligible, but in two slab the difference is more than one rupee which is almost a reduction of 19%. Therefore, the earlier 3 slab tariff structure has been consciously withdrawn by Hon'ble Commission to extend more benefit to consumers.

**Respondent's view/objection:** Due to growth in HT/EHT sales, it is expected that there will lots of surplus revenue on the account of TPWODL and hence Hon'ble Commission is requested to reduce industrial tariff.

**TPWODL Rejoinder:** Growth in HT & EHT also contributes towards increase in drawl form GRIDCO who is the 'State Designated Authority' to procure power for all four DISCOMS

of Odisha. Presently, due to marginal source of purchase, the cost of procurement also goes up. Accordingly, the expected surplus would be towards meeting costly power. With increase trend in cost of supply, it is a challenge before Hon'ble Commission to provide stable tariff in Odisha.

**Respondent's view/objection:** Hon'ble commission is requested to approve CAPEX considering the likely interest burden on consumer, tariff shocks and effective checking of actual implementation of CAPEX. The third-party audit of CAPEX should be independently carried out and Hon'ble OERC may pass appropriate order on the same.

**TPWODL Rejoinder:** As per the vesting order of TPWODL the licensee is committed for capital investment of Rs.1663 crs in span of 5 years. In line with the same Hon'ble Commission has already approved Rs.333 crs for FY 21-22 and Rs.478 crs for FY 22-23. The licensee has projected Rs.516 crs for FY 23-24. The details are appended below:

FY	Upto 31-03-22 (Rs in Cr.)	Upto 31-03-23 (Rs in Cr.)	Upto 31-03-24 (Rs in Cr.)	Upto 31-03-25 (Rs in Cr.)	Upto 31-03-26 (Rs in Cr.)
Committed	306	806	1139	1461	1663
Proposed	462.42	582.18	516.39		
Approved	333.13	477.72			

The licensee places its CAPEX application in prior consultation with all the stakeholders and the investment proposal has been considered only on priority wherever there is requirement for overall improvement. Hon'ble Commission approves the CAPEX amount for each year after considering every aspect and appoints consultants to check the relevancy of the CAPEX application. The licensee is providing the information on CAPEX progress to Hon'ble OERC quarterly interval for better monitoring.

6. **Respondent's view/objection:** The respondent has submitted that the Distribution Loss & AT & C loss should be approved at a lower level

**TPWODL Rejoinder:** As per vesting order and new tariff regulation, 2022, for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT& C loss" and the trajectory for the same is fixed till FY 2030-31

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

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Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
- Strengthening of Energy audit for all 33kV,11kV & DTR up to 250kVA. Identification of loss pocket and action to be taken for loss reduction.

There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

**7. Respondent's view/objection: Projection of EHT, HT & LT sales**

**TPWODL Rejoinder:** The licensee has already submitted its sales projection in details vide para 2.2 of ARR application. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2021-22 along with 1st six month of current year sales projection for the ensuing year has been made. The sale projection under EHT category includes the projection of sale under TPA. The intermittent power has been sold with regulatory approval and will be done in ensuing year if approved. Further, concessional scheme with flat rate of Rs.4.30 per unit for drawl beyond 80% of CD (Industries having CGP can draw up to double the CD, those who are having CD up to 20 MW) also helped in increase in consumption. Considering all these facts the EHT sale projection for ensuing year has been made.

As regards to LT sales, the reason for taking higher projection due to Improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and installing new meters against defective meter, smart meter installation to all three phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filing.

**8. Respondent's view/objection: Cross subsidy and its surcharge**

**TPWODL Rejoinder:** 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order:

*Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*

*"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered."* and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within +\_ 20% as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

9. **Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Burla

Dated:

C.C. M/s. Scan Steels Ltd. Unit-III having its Regd Office at No. 104, 105, E-Square, Subhash Road, Opp Havmore Ice cream, Vile Parle (East), Mumbai-400057, works at- Bai Bal, Tudalaga Bargaon, Dist- Sundargarh (Odisha), Email: [scansteels@scansteels.com](mailto:scansteels@scansteels.com), Mob: 7064104663

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>.

PART OF AFFIDAVIT 2022  
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**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

**Case No.80 of 2022**

**IN THE MATTER OF: TP Western Odisha Distribution Limited**

Corporate Office Burla, Sambalpur, Odisha-768017

**AND**

**IN THE MATTER OF: M/s. D.D Iron & Steel Private Ltd having its Regd Office at H-4/5, Civil Township, Rourkela-769004. Email: ddirosteel@rediffmail.com, Mobile: +91-9776647958, 9437047958**

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

Point wise rejoinder for the objection raised by objector are appended below: -

**Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified. Considering the expenses of existing employees including terminal dues of pensioners/

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family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e Rs. 614.97 Cr. for FY 2023-24 may please be approved.

Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

**Respondents View/ Objection:** The Respondent has provided the summary of R&M expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the R&M expense vide page no. 78 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has provided the summary of A&G expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification and head wise break up regarding the A&G expense vide para 2.5 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has furnished the summary of depreciation cost for last twelve years and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the depreciation cost vide para 2.9 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** TPWODL has proposed for transmission charge, wheeling charge and cross subsidy on RE power through Open Access. Whereas recently Odisha Govt. has published Odisha Renewable Energy Policy, 2022, there is a provision of reduced charges and no CSS on RE by industries. Hon'ble OERC has been requested to be guided by RE policy, 2022.

**TPWODL Rejoinder:** As per para 23.5 of RE Policy, 2022, no CSS shall be applicable to industries on harnessing RE power through GRIDCO, which appears to be a different mechanism than prevailing Open Access. Further, as per RE policy the benefit is being extended only when it is generated inside the state of Odisha during the policy period.

On other hand, MoP, GoI has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that.

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows, namely: -*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*

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However, Hon'ble Commission may take a judicious decision in this regard,

**Respondents View/ Objection:** The respondent conveys its gratitude towards Hon'ble Commission for extending special rebate to the steel industries and Proposes a change in the allowed rebate:

	CD upto 6 MVA	CD above 6 MVA
For L.F of $\Rightarrow$ 65% to 70%	10% on EC	
For L.F of >70% to 80%	15% on EC	8% on EC
For L.F of >80%	20% on EC	10% on EC

**TPWODL Rejoinder:** TPWODL has submitted the proposal to continue the special rebate with more clarity on applicability of it.

However, the respondent states that to operate at the approved LF rebate is difficult and has proposed a change in LF rebate mechanism as described in the above para.

Hon'ble Commission may take a suitable decision in this regard.

**Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal.

**TPWODL Rejoinder:** The modification suggested by the respondent are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.	An additional discount of 50 p/unit on entire energy charges may be provided for the unit who will start their operation in FY 2022-23.
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 23-24.	The industry has to start with lower load and should be allowed for CD reduction while starting.
Double incentive not to be given	The closed industries availing this revival discount should be eligible for additional discount and load factor incentives as submitted above and other tariff structure related to the operating industries.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s)/other stakeholders. But as per the modifications suggested by the respondent, it appears to be only consumer centric which will create dissatisfaction among other Industries those who are running/operating. If the closed industry is permitted to reopens with a lower

load to avail this benefit, then moto/purpose to improve/promote Industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

**Respondent's view/objection:** Tariff for industrial consumers of this state are continuously higher as compared to other consumer category at the same voltage level having lower load factor since many years. Hon'ble Commission should make an effort for rationalization of tariff based on voltage level, load factor, power factor, total consumption from 2023-24.

**TPWODL Rejoinder:** The respondent has claimed that the providing concessional tariff to consumer categories like Bulk supply domestic/ Allied Agro is beyond the scope of Electricity Act and suggested that subsidy if any should be directly given by the Govt. of Odisha in spite of Hon'ble OERC through tariff structure.

In this context it is to submit that, Govt of Odisha has taken a stand and instead of proding tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

**Respondent's view/objection:** Hon'ble commission is requested to re-introduce the 3-slab based graded incentive tariff in the FY 2023-24

**TPWODL Rejoinder:** The 3-slab based graded incentive tariff mechanism is not actually beneficial indeed even it complicates the billing mechanism. Further, in 3 slab mechanism the difference in slab tariff was negligible, but in two slab the difference is more than one rupee which is almost a reduction of 19%. Therefore, the earlier 3 slab tariff structure has been consciously withdrawn by Hon'ble Commission to extend more benefit to consumers.

**Respondent's view/objection:** Due to growth in HT/EHT sales, it is expected that there will lots of surplus revenue on the account of TPWODL and hence Hon'ble Commission is requested to reduce industrial tariff.

**TPWODL Rejoinder:** Growth in HT & EHT also contributes towards increase in drawl form GRIDCO who is the 'State Designated Authority' to procure power for all four DISCOMS of Odisha. Presently, due to marginal source of purchase, the cost of procurement also goes up. Accordingly, the expected surplus would be towards meeting costly power. With increase

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trend in cost of supply, it is a challenge before Hon'ble Commission to provide stable tariff in Odisha.

**Respondent's view/objection:** Hon'ble commission is requested to approve CAPEX considering the likely interest burden on consumer, tariff shocks and effective checking of actual implementation of CAPEX. The third-party audit of CAPEX should be independently carried out and Hon'ble OERC may pass appropriate order on the same.

**TPWODL Rejoinder:** As per the vesting order of TPWODL the licensee is committed for capital investment of Rs.1663 crs in span of 5 years. In line with the same Hon'ble Commission has already approved Rs.333 crs for FY 21-22 and Rs.478 crs for FY 22-23. The licensee has projected Rs.516 crs for FY 23-24. The details are appended below:

FY	Upto 31-03-22 (Rs in Cr.)	Upto 31-03-23 (Rs in Cr.)	Upto 31-03-24 (Rs in Cr.)	Upto 31-03-25 (Rs in Cr.)	Upto 31-03-26 (Rs in Cr.)
Committed	306	806	1139	1461	1663
Proposed	462.42	582.18	516.39		
Approved	333.13	477.72			

The licensee places its CAPEX application in prior consultation with all the stakeholders and the investment proposal has been considered only on priority wherever there is requirement for overall improvement. Hon'ble Commission approves the CAPEX amount for each year after considering every aspect and appoints consultants to check the relevancy of the CAPEX application. The licensee is providing the information on CAPEX progress to Hon'ble OERC quarterly interval for better monitoring.

**Respondent's view/objection:** The respondent has submitted that the Distribution Loss & AT & C loss should be approved at a lower level

**TPWODL Rejoinder:** As per vesting order and new tariff regulation, 2022, for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT&C loss" and the trajectory for the same is fixed till FY 2030-31

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
- Strengthening of Energy audit for all 33kV, 11kV & DTR up to 250kVA. Identification of loss pocket and action to be taken for loss reduction.

There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

**Respondent's view/objection: Projection of EHT, HT & LT sales**

**TPWODL Rejoinder:** The licensee has already submitted its sales projection in details vide para 2.2 of ARR application. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2021-22 along with 1st six month of current year sales projection for the ensuing year has been made. The sale projection under EHT category includes the projection of sale under TPA. The intermittent power has been sold with regulatory approval and will be done in ensuing year if approved. Further, concessional scheme with flat rate of Rs.4.30 per unit for drawl beyond 80% of CD (Industries having CGP can draw up to double the CD, those who are having CD up to 20 MW) also helped in increase in consumption. Considering all these facts the EHT sale projection for ensuing year has been made.

As regards to LT sales, the reason for taking higher projection due to improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and installing new meters against defective meter, smart meter installation to all three phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filing.

**Respondent's view/objection: Cross subsidy and its surcharge**

**TPWODL Rejoinder:** 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order: *Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*

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*"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered."* and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within +\_ 20% as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of Increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL



GM (RA & Strategy)

Burla

Dated:

C.C. Mr. Musafir Jiaswal, Director & Authorized Signatory of M/s. D.D Iron & Steel Private Ltd having its Regd Office at H-4/5, Civil Township, Rourkela-769004. Email: ddironsteel@rediffmail.com, Mobile: +91-9776647958, 9437047958

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT  
21/12/2023  
NOTARY  
Regd. No. ON 23/94  
SAMBALPUR: ORISSA

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

**Case No.80 of 2022**

**IN THE MATTER OF: TP Western Odisha Distribution Limited**

Corporate Office Burla, Sambalpur, Odisha-768017

**AND**

**IN THE MATTER OF: M/s. Shree Salasar Castings Pvt Ltd** having its Regd Office at at/Vill. Balanda, PO- Kalunga-770031, Dist-Sundergarh, Odisha . Email: salasarcastings@gmail.com, Mobile: +91-9437116941

**Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case No. 80 of 2022.**

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

Point wise rejoinder for the objection raised by objector are appended below: -

**Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified.

Considering the expenses of existing employees including terminal dues of pensioners/

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**NOTARY**

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family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e Rs. 614.97 Cr. for FY 2023-24 may please be approved.

Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

**Respondents View/ Objection:** The Respondent has provided the summary of R&M expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the R&M expense vide page no. 78 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has provided the summary of A&G expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification and head wise break up regarding the A&G expense vide para 2.5 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has furnished the summary of depreciation cost for last twelve years and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the depreciation cost vide para 2.9 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** TPWODL has proposed for transmission charge, wheeling charge and cross subsidy on RE power through Open Access. Whereas recently Odisha Govt. has published Odisha Renewable Energy Policy, 2022, there is a provision of reduced charges and no CSS on RE by industries. Hon'ble OERC has been requested to be guided by RE policy, 2022.

**TPWODL Rejoinder:** As per para 23.5 of RE Policy, 2022, no CSS shall be applicable to industries on harnessing RE power through GRIDCO, which appears to be a different mechanism than prevailing Open Access. Further, as per RE policy the benefit is being extended only when it is generated inside the state of Odisha during the policy period.

On other hand, MoP, GoI has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that.

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows, namely: -*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*

PART OF AFFIDAVIT

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Regd. No. OH 23/84

SAMBALPUR DISTRICT

However, Hon'ble Commission may take a judicious decision in this regard,

**Respondents View/ Objection:** The respondent conveys its gratitude towards Hon'ble Commission for extending special rebate to the steel industries and Proposes a change in the allowed rebate:

	CD upto 6 MVA	CD above 6 MVA
For L.F of $\geq 65\%$ to 70%	10% on EC	
For L.F of $>70\%$ to 80%	15% on EC	8% on EC
For L.F of $>80\%$	20% on EC	10% on EC

**TPWODL Rejoinder:** TPWODL has submitted the proposal to continue the special rebate with more clarity on applicability of it.

However, the respondent states that to operate at the approved LF rebate is difficult and has proposed a change in LF rebate mechanism as described in the above para.

Hon'ble Commission may take a suitable decision in this regard.

**Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal.

**TPWODL Rejoinder:** The modification suggested by the respondent are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.	An additional discount of 50 p/unit on entire energy charges may be provided for the unit who will start their operation in FY 2022-23.
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 23-24.	The industry has to start with lower load and should be allowed for CD reduction while starting.
Double incentive not to be given	The closed industries availing this revival discount should be eligible for additional discount and load factor incentives as submitted above and other tariff structure related to the operating industries.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s)/other stakeholders. But as per the modifications suggested by the respondent, it appears to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopens with a lower



load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

**Respondent's view/objection:** Tariff for industrial consumers of this state are continuously higher as compared to other consumer category at the same voltage level having lower load factor since many years. Hon'ble Commission should make an effort for rationalization of tariff based on voltage level, load factor, power factor, total consumption from 2023-24.

**TPWODL Rejoinder:** The respondent has claimed that the providing concessional tariff to consumer categories like Bulk supply domestic/ Allied Agro is beyond the scope of Electricity Act and suggested that subsidy if any should be directly given by the Govt. of Odisha in spite of Hon'ble OERC through tariff structure.

In this context it is to submit that, Govt of Odisha has taken a stand and instead of proding tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

**Respondent's view/objection:** Hon'ble commission is requested to re-introduce the 3-slab based graded incentive tariff in the FY 2023-24

**TPWODL Rejoinder:** The 3-slab based graded incentive tariff mechanism is not actually beneficial indeed even it complicates the billing mechanism. Further, in 3 slab mechanism the difference in slab tariff was negligible, but in two slab the difference is more than one rupee which is almost a reduction of 19%. Therefore, the earlier 3 slab tariff structure has been consciously withdrawn by Hon'ble Commission to extend more benefit to consumers.

**Respondent's view/objection:** Due to growth in HT/EHT sales, it is expected that there will lots of surplus revenue on the account of TPWODL and hence Hon'ble Commission is requested to reduce industrial tariff.

**TPWODL Rejoinder:** Growth in HT & EHT also contributes towards increase in drawl form GRIDCO who is the 'State Designated Authority' to procure power for all four DISCOMS of Odisha. Presently, due to marginal source of purchase, the cost of procurement also goes up. Accordingly, the expected surplus would be towards meeting costly power. With increase

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trend in cost of supply, it is a challenge before Hon'ble Commission to provide stable tariff in Odisha.

**Respondent's view/objection:** Hon'ble commission is requested to approve CAPEX considering the likely interest burden on consumer, tariff shocks and effective checking of actual implementation of CAPEX. The third-party audit of CAPEX should be independently carried out and Hon'ble OERC may pass appropriate order on the same.

**TPWODL Rejoinder:** As per the vesting order of TPWODL the licensee is committed for capital investment of Rs.1663 crs in span of 5 years. In line with the same Hon'ble Commission has already approved Rs.333 crs for FY 21-22 and Rs.478 crs for FY 22-23. The licensee has projected Rs.516 crs for FY 23-24. The details are appended below:

FY	Upto 31-03-22 (Rs in Cr.)	Upto 31-03-23 (Rs in Cr.)	Upto 31-03-24 (Rs in Cr.)	Upto 31-03-25 (Rs in Cr.)	Upto 31-03-26 (Rs in Cr.)
Committed	306	806	1139	1461	1663
Proposed	462.42	582.18	516.39		
Approved	333.13	477.72			

The licensee places its CAPEX application in prior consultation with all the stakeholders and the investment proposal has been considered only on priority wherever there is requirement for overall improvement. Hon'ble Commission approves the CAPEX amount for each year after considering every aspect and appoints consultants to check the relevancy of the CAPEX application. The licensee is providing the information on CAPEX progress to Hon'ble OERC quarterly interval for better monitoring.

**Respondent's view/objection:** The respondent has submitted that the Distribution Loss & AT & C loss should be approved at a lower level

**TPWODL Rejoinder:** As per vesting order and new tariff regulation, 2022, for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT& C loss" and the trajectory for the same is fixed till FY 2030-31

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

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Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
- Strengthening of Energy audit for all 33kV, 11kV & DTR up to 250kVA. Identification of loss pocket and action to be taken for loss reduction.

There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

**Respondent's view/objection: Projection of EHT, HT & LT sales**

**TPWODL Rejoinder:** The licensee has already submitted its sales projection in details vide para 2.2 of ARR application. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2021-22 along with 1st six month of current year sales projection for the ensuing year has been made. The sale projection under EHT category includes the projection of sale under TPA. The intermittent power has been sold with regulatory approval and will be done in ensuing year if approved. Further, concessional scheme with flat rate of Rs.4.30 per unit for drawl beyond 80% of CD (Industries having CGP can draw up to double the CD, those who are having CD up to 20 MW) also helped in increase in consumption. Considering all these facts the EHT sale projection for ensuing year has been made.

As regards to LT sales, the reason for taking higher projection due to improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and installing new meters against defective meter, smart meter installation to all three phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filing.

**Respondent's view/objection: Cross subsidy and its surcharge**

**TPWODL Rejoinder:** 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order: *Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*

*"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered."* and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within +\_ 20% as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Burla

Dated:

C.C. Mr. Ashok Agarwal, Director and Authorized Signatory of M/s. Shree Salasar Castings Pvt Ltd having its Regd Office at at/Vill. Balanda, PO- Kalunga-770031, Dist-Sundergarh, Odisha . Email: salasarcastings@gmail.com, Mobile: +91-9437116941

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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06

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

**Case No.80 of 2022**

**IN THE MATTER OF: TP Western Odisha Distribution Limited**

**Corporate Office Burla, Sambalpur, Odisha-768017**

**AND**

**IN THE MATTER OF: M/s. Top Tech Steel Private Ltd** having its Regd Office at Plot No-972/3634, Hatibari Road, Kuarmunda, Dist-Sundergarh- 770039, Odisha, Email: toptechsteels@yahoo.com, Mobile: +91-9438647508

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

Point wise rejoinder for the objection raised by objector are appended below: -

**Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified. Considering the expenses of existing employees including terminal dues of pensioners/

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family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e Rs. 614.97 Cr. for FY 2023-24 may please be approved.

Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

**Respondents View/ Objection:** The Respondent has provided the summary of R&M expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the R&M expense vide page no. 78 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has provided the summary of A&G expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification and head wise break up regarding the A&G expense vide para 2.5 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has furnished the summary of depreciation cost for last twelve years and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the depreciation cost vide para 2.9 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** TPWODL has proposed for transmission charge, wheeling charge and cross subsidy on RE power through Open Access. Whereas recently Odisha Govt. has published Odisha Renewable Energy Policy, 2022, there is a provision of reduced charges and no CSS on RE by industries. Hon'ble OERC has been requested to be guided by RE policy, 2022.

**TPWODL Rejoinder:** As per para 23.5 of RE Policy, 2022, no CSS shall be applicable to industries on harnessing RE power through GRIDCO, which appears to be a different mechanism than prevailing Open Access. Further, as per RE policy the benefit is being extended only when it is generated inside the state of Odisha during the policy period.

On other hand, MoP, GoI has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that.

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows, namely: -*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*

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However, Hon'ble Commission may take a judicious decision in this regard,

**Respondents View/ Objection:** The respondent conveys its gratitude towards Hon'ble Commission for extending special rebate to the steel industries and Proposes a change in the allowed rebate:

	CD upto 6 MVA	CD above 6 MVA
For L.F of $\geq 65\%$ to 70%	10% on EC	
For L.F of $>70\%$ to 80%	15% on EC	8% on EC
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**TPWODL Rejoinder:** TPWODL has submitted the proposal to continue the special rebate with more clarity on applicability of it.

However, the respondent states that to operate at the approved LF rebate is difficult and has proposed a change in LF rebate mechanism as described in the above para.

Hon'ble Commission may take a suitable decision in this regard.

**Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal.

**TPWODL Rejoinder:** The modification suggested by the respondent are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.	An additional discount of 50 p/unit on entire energy charges may be provided for the unit who will start their operation in FY 2022-23.
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 23-24.	The industry has to start with lower load and should be allowed for CD reduction while starting.
Double incentive not to be given	The closed industries availing this revival discount should be eligible for additional discount and load factor incentives as submitted above and other tariff structure related to the operating industries.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s)/other stakeholders. But as per the modifications suggested by the respondent, it appears to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopens with a lower

load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

**Respondent's view/objection:** Tariff for industrial consumers of this state are continuously higher as compared to other consumer category at the same voltage level having lower load factor since many years. Hon'ble Commission should make an effort for rationalization of tariff based on voltage level, load factor, power factor, total consumption from 2023-24.

**TPWODL Rejoinder:** The respondent has claimed that the providing concessional tariff to consumer categories like Bulk supply domestic/ Allied Agro is beyond the scope of Electricity Act and suggested that subsidy if any should be directly given by the Govt. of Odisha in spite of Hon'ble OERC through tariff structure.

In this context it is to submit that, Govt of Odisha has taken a stand and instead of proding tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

**Respondent's view/objection:** Hon'ble commission is requested to re-introduce the 3-slab based graded incentive tariff in the FY 2023-24

**TPWODL Rejoinder:** The 3-slab based graded incentive tariff mechanism is not actually beneficial Indeed even it complicates the billing mechanism. Further, in 3 slab mechanism the difference in slab tariff was negligible, but in two slab the difference is more than one rupee which is almost a reduction of 19%. Therefore, the earlier 3 slab tariff structure has been consciously withdrawn by Hon'ble Commission to extend more benefit to consumers.

**Respondent's view/objection:** Due to growth in HT/EHT sales, It is expected that there will lots of surplus revenue on the account of TPWODL and hence Hon'ble Commission is requested to reduce industrial tariff.

**TPWODL Rejoinder:** Growth in HT & EHT also contributes towards increase in drawl form GRIDCO who is the 'State Designated Authority' to procure power for all four DISCOMS of Odisha. Presently, due to marginal source of purchase, the cost of procurement also goes up. Accordingly, the expected surplus would be towards meeting costly power. With increase



trend in cost of supply, it is a challenge before Hon'ble Commission to provide stable tariff in Odisha.

**Respondent's view/objection:** Hon'ble commission is requested to approve CAPEX considering the likely interest burden on consumer, tariff shocks and effective checking of actual implementation of CAPEX. The third-party audit of CAPEX should be independently carried out and Hon'ble OERC may pass appropriate order on the same.

**TPWODL Rejoinder:** As per the vesting order of TPWODL the licensee is committed for capital investment of Rs.1663 crs in span of 5 years. In line with the same Hon'ble Commission has already approved Rs.333 crs for FY 21-22 and Rs.478 crs for FY 22-23. The licensee has projected Rs.516 crs for FY 23-24. The details are appended below:

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Committed	306	806	1139	1461	1663
Proposed	462.42	582.18	516.39		
Approved	333.13	477.72			

The licensee places its CAPEX application in prior consultation with all the stakeholders and the investment proposal has been considered only on priority wherever there is requirement for overall improvement. Hon'ble Commission approves the CAPEX amount for each year after considering every aspect and appoints consultants to check the relevancy of the CAPEX application. The licensee is providing the information on CAPEX progress to Hon'ble OERC quarterly interval for better monitoring.

**Respondent's view/objection:** The respondent has submitted that the Distribution Loss & AT & C loss should be approved at a lower level

**TPWODL Rejoinder:** As per vesting order and new tariff regulation, 2022, for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT&C loss" and the trajectory for the same is fixed till FY 2030-31

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

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Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
- Strengthening of Energy audit for all 33kV, 11kV & DTR up to 250kVA. Identification of loss pocket and action to be taken for loss reduction.

There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

**Respondent's view/objection: Projection of EHT, HT & LT sales**

**TPWODL Rejoinder:** The licensee has already submitted its sales projection in details vide para 2.2 of ARR application. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2021-22 along with 1st six month of current year sales projection for the ensuing year has been made. The sale projection under EHT category includes the projection of sale under TPA. The intermittent power has been sold with regulatory approval and will be done in ensuing year if approved. Further, concessional scheme with flat rate of Rs.4.30 per unit for drawl beyond 80% of CD (Industries having CGP can draw up to double the CD, those who are having CD up to 20 MW) also helped in increase in consumption. Considering all these facts the EHT sale projection for ensuing year has been made.

As regards to LT sales, the reason for taking higher projection due to improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and installing new meters against defective meter, smart meter installation to all three phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filing.

**Respondent's view/objection: Cross subsidy and its surcharge**

**TPWODL Rejoinder:** 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order: *Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*

"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered." and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within +\_ 20% as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL

GM (RA & Strategy)

Burla

Dated:

C.C. Mr. Shiv Sankar Prasad, Director & Authorized Signatory of M/s. Top Tech Steel Private Ltd having its Regd Office at Plot No-972/3634, Hatibari Road, Kuarmunda ,Dist-Sundergarh-770039, Odisha, Email: toptechsteels@yahoo.com , Mobile: +91-9438647508

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

07

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

**Case No.80 of 2022**

**IN THE MATTER OF: TP Western Odisha Distribution Limited**

**Corporate Office Burla, Sambalpur, Odisha-768017**

**AND**

**IN THE MATTER OF: M/s. Shri Radha Krishna Ispat Pvt. Ltd.,** having its Regd. Office at Plot No-19 P, Goibhanga, Kalunga PO- Kalunga, Dist- Sundargarh-77031, Odisha, Email: [srkipl@rediffmail.com](mailto:srkipl@rediffmail.com), Mob: 9437048045

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case No. 80 of 2022.

**That,** the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

**Point wise rejoinder for the objection raised by objector are appended below: -**

**Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified. Considering the expenses of existing employees including terminal dues of pensioners/

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family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e. Rs. 614.97 Cr. for FY 2023-24 may please be approved.

Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

**Respondents View/ Objection:** The Respondent has provided the summary of R&M expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the R&M expense vide page no. 78 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has provided the summary of A&G expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification and head wise break up regarding the A&G expense vide para 2.5 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has furnished the summary of depreciation cost for last twelve years and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the depreciation cost vide para 2.9 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** TPWODL has proposed for transmission charge, wheeling charge and cross subsidy on RE power through Open Access. Whereas recently Odisha Govt. has published Odisha Renewable Energy Policy, 2022, there is a provision of reduced charges and no CSS on RE by industries. Hon'ble OERC has been requested to be guided by RE policy, 2022.

**TPWODL Rejoinder:** As per para 23.5 of RE Policy, 2022, no CSS shall be applicable to industries on harnessing RE power through GRIDCO, which appears to be a different mechanism than prevailing Open Access. Further, as per RE policy the benefit is being extended only when it is generated inside the state of Odisha during the policy period.

On other hand, MoP, Govt has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that.

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows, namely: -*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*

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However, Hon'ble Commission may take a judicious decision in this regard,

**Respondents View/ Objection:** The respondent conveys its gratitude towards Hon'ble Commission for extending special rebate to the steel industries and Proposes a change in the allowed rebate:

	CD upto 6 MVA	CD above 6 MVA
For L.F of =>65% to 70%	10% on EC	
For L.F of >70% to 80%	15% on EC	8% on EC
For L.F of >80%	20% on EC	10% on EC

**TPWODL Rejoinder:** TPWODL has submitted the proposal to continue the special rebate with more clarity on applicability of it.

However, the respondent states that to operate at the approved LF rebate is difficult and has proposed a change in LF rebate mechanism as described in the above para.

Hon'ble Commission may take a suitable decision in this regard.

**Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal.

**TPWODL Rejoinder:** The modification suggested by the respondent are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.	An additional discount of 50 p/unit on entire energy charges may be provided for the unit who will start their operation in FY 2022-23.
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 23-24.	The industry has to start with lower load and should be allowed for CD reduction while starting.
Double incentive not to be given	The closed industries availing this revival discount should be eligible for additional discount and load factor incentives as submitted above and other tariff structure related to the operating industries.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s)/other stakeholders. But as per the modifications suggested by the respondent, it appears to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopens with a lower

load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

**Respondent's view/objection:** Tariff for industrial consumers of this state are continuously higher as compared to other consumer category at the same voltage level having lower load factor since many years. Hon'ble Commission should make an effort for rationalization of tariff based on voltage level, load factor, power factor, total consumption from 2023-24.

**TPWODL Rejoinder:** The respondent has claimed that the providing concessional tariff to consumer categories like Bulk supply domestic/ Allied Agro is beyond the scope of Electricity Act and suggested that subsidy if any should be directly given by the Govt. of Odisha in spite of Hon'ble OERC through tariff structure.

In this context it is to submit that, Govt of Odisha has taken a stand and instead of proding tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

**Respondent's view/objection:** Hon'ble commission is requested to re-introduce the 3-slab based graded incentive tariff in the FY 2023-24

**TPWODL Rejoinder:** The 3-slab based graded incentive tariff mechanism is not actually beneficial indeed even it complicates the billing mechanism. Further, in 3 slab mechanism the difference in slab tariff was negligible, but in two slab the difference is more than one rupee which is almost a reduction of 19%. Therefore, the earlier 3 slab tariff structure has been consciously withdrawn by Hon'ble Commission to extend more benefit to consumers.

**Respondent's view/objection:** Due to growth in HT/EHT sales, it is expected that there will lots of surplus revenue on the account of TPWODL and hence Hon'ble Commission is requested to reduce industrial tariff.

**TPWODL Rejoinder:** Growth in HT & EHT also contributes towards increase in drawl form GRIDCO who is the 'State Designated Authority' to procure power for all four DISCOMS of Odisha. Presently, due to marginal source of purchase, the cost of procurement also goes up. Accordingly, the expected surplus would be towards meeting costly power. With increase

trend in cost of supply, it is a challenge before Hon'ble Commission to provide stable tariff in Odisha.

**Respondent's view/objection:** Hon'ble commission is requested to approve CAPEX considering the likely interest burden on consumer, tariff shocks and effective checking of actual implementation of CAPEX. The third-party audit of CAPEX should be independently carried out and Hon'ble OERC may pass appropriate order on the same.

**TPWODL Rejoinder:** As per the vesting order of TPWODL the licensee is committed for capital investment of Rs.1663 crs in span of 5 years. In line with the same Hon'ble Commission has already approved Rs.333 crs for FY 21-22 and Rs.478 crs for FY 22-23. The licensee has projected Rs.516 crs for FY 23-24. The details are appended below:

FY	Upto 31-03-22 (Rs in Cr.)	Upto 31-03-23 (Rs in Cr.)	Upto 31-03-24 (Rs in Cr.)	Upto 31-03-25 (Rs in Cr.)	Upto 31-03-26 (Rs in Cr.)
Committed	306	806	1139	1461	1663
Proposed	462.42	582.18	516.39		
Approved	333.13	477.72			

The licensee places its CAPEX application in prior consultation with all the stakeholders and the investment proposal has been considered only on priority wherever there is requirement for overall improvement. Hon'ble Commission approves the CAPEX amount for each year after considering every aspect and appoints consultants to check the relevancy of the CAPEX application. The licensee is providing the information on CAPEX progress to Hon'ble OERC quarterly interval for better monitoring.

**Respondent's view/objection:** The respondent has submitted that the Distribution Loss & AT & C loss should be approved at a lower level

**TPWODL Rejoinder:** As per vesting order and new tariff regulation, 2022, for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT&C loss" and the trajectory for the same is fixed till FY 2030-31

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

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Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
- Strengthening of Energy audit for all 33kV, 11kV & DTR up to 250kVA. Identification of loss pocket and action to be taken for loss reduction.

There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

**Respondent's view/objection: Projection of EHT, HT & LT sales**

**TPWODL Rejoinder:** The licensee has already submitted its sales projection in details vide para 2.2 of ARR application. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2021-22 along with 1st six month of current year sales projection for the ensuing year has been made. The sale projection under EHT category includes the projection of sale under TPA. The intermittent power has been sold with regulatory approval and will be done in ensuing year if approved. Further, concessional scheme with flat rate of Rs.4.30 per unit for drawl beyond 80% of CD (Industries having CGP can draw up to double the CD, those who are having CD up to 20 MW) also helped in increase in consumption. Considering all these facts the EHT sale projection for ensuing year has been made.

As regards to LT sales, the reason for taking higher projection due to improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and installing new meters against defective meter, smart meter installation to all three phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filing.

**Respondent's view/objection: Cross subsidy and its surcharge**

**TPWODL Rejoinder:** 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order: *Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*

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"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered." and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within +\_ 20% as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Burla

Dated:

C.C. Mr. Binod Kumar Agarwal, Director and Authorized Signatory of M/s. Shri Radha Krishna Ispat Pvt. Ltd., having its Regd. Office at Plot No-19 P, Goibhanga, Kalunga PO- Kalunga, Dist- Sundargarh-77031, Odisha, Email: [srktpi@rediffmail.com](mailto:srktpi@rediffmail.com), Mob: 9437048045

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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08

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

**Case No.80 of 2022**

**IN THE MATTER OF:** TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

**AND**

**IN THE MATTER OF:** M/s. Chunchun Ispat Pvt Ltd having its Regd Office At -Vill-Usra, P.O- Kuarmunda-770039, Dist-Sundergarh, Odisha . Email: chunchun\_rkl@rediffmail.com, Mobile: +91-9437000661

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

Point wise rejoinder for the objection raised by objector are appended below: -

**Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

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family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e Rs. 614.97 Cr. for FY 2023-24 may please be approved.

Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

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Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

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In this context it is to submit that, Govt of Odisha has taken a stand and instead of proding tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

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FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.



Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
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There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

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As regards to LT sales, the reason for taking higher projection due to improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and installing new meters against defective meter, smart meter installation to all three phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filing.

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*"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered."* and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within  $\pm 20\%$  as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Burla

Dated:

C.C. Mr. Suresh Jaiswal, Director & Authorized Signatory of M/s. Chunchun Ispat Pvt Ltd having its Regd Office At -VIII-Usra, P.O-Kuarmunda-770039, Dist-Sundergarh, Odisha . Email: chunchun\_rkl@rediffmail.com, Mobile: +91-9437000661

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT  
6/12/2023  
NOTARY  
Regd. No. ON 23/94  
SAMBALPUR-ORISSA

09

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

**Case No.80 of 2022**

**IN THE MATTER OF: TP Western Odisha Distribution Limited**

**Corporate Office Burla, Sambalpur, Odisha-768017**

**AND**

**IN THE MATTER OF: M/s. Shri Radha Raman Alloys Private Ltd having its Regd Office at T-16  
Civil Township, Rourkela, Works- Jharbeda, Kutra-770070 Dist Sundargarh, Odisha, Email:  
srral08@gmail.com, Mobile: +91-9437102890**

**Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory  
Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case  
No. 80 of 2022.**

**That, the licensee appreciates the learned objector for the supports and constructive suggestions  
made through this reply.**

**Point wise rejoinder for the objection raised by objector are appended below: -**

**Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

**As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified. Considering the expenses of existing employees including terminal dues of pensioners/**

**PART OF APPL. NO.**

**NOTARY**

**Post. No. CM 22/04**

family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e Rs. 614.97 Cr. for FY 2023-24 may please be approved.

Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

**Respondents View/ Objection:** The Respondent has provided the summary of R&M expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the R&M expense vide page no. 78 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has provided the summary of A&G expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification and head wise break up regarding the A&G expense vide para 2.5 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has furnished the summary of depreciation cost for last twelve years and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the depreciation cost vide para 2.9 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** TPWODL has proposed for transmission charge, wheeling charge and cross subsidy on RE power through Open Access. Whereas recently Odisha Govt. has published Odisha Renewable Energy Policy, 2022, there is a provision of reduced charges and no CSS on RE by industries. Hon'ble OERC has been requested to be guided by RE policy, 2022.

**TPWODL Rejoinder:** As per para 23.5 of RE Policy, 2022, no CSS shall be applicable to industries on harnessing RE power through GRIDCO, which appears to be a different mechanism than prevailing Open Access. Further, as per RE policy the benefit is being extended only when it is generated inside the state of Odisha during the policy period.

On other hand, MoP, GoI has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that.

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows, namely:-*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*



However, Hon'ble Commission may take a judicious decision in this regard,

**Respondents View/ Objection:** The respondent conveys its gratitude towards Hon'ble Commission for extending special rebate to the steel industries and Proposes a change in the allowed rebate:

	CD upto 6 MVA	CD above 6 MVA
For L.F of =>65% to 70%	10% on EC	
For L.F of >70% to 80%	15% on EC	8% on EC
For L.F of >80%	20% on EC	10% on EC

**TPWODL Rejoinder:** TPWODL has submitted the proposal to continue the special rebate with more clarity on applicability of it.

However, the respondent states that to operate at the approved LF rebate is difficult and has proposed a change in LF rebate mechanism as described in the above para.

Hon'ble Commission may take a suitable decision in this regard.

**Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal.

**TPWODL Rejoinder:** The modification suggested by the respondent are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.	An additional discount of 50 p/unit on entire energy charges may be provided for the unit who will start their operation in FY 2022-23.
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 23-24.	The industry has to start with lower load and should be allowed for CD reduction while starting.
Double incentive not to be given	The closed industries availing this revival discount should be eligible for additional discount and load factor incentives as submitted above and other tariff structure related to the operating industries.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s)/other stakeholders. But as per the modifications suggested by the respondent, it appears to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopens with a lower



load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

**Respondent's view/objection:** Tariff for industrial consumers of this state are continuously higher as compared to other consumer category at the same voltage level having lower load factor since many years. Hon'ble Commission should make an effort for rationalization of tariff based on voltage level, load factor, power factor, total consumption from 2023-24.

**TPWODL Rejoinder:** The respondent has claimed that the providing concessional tariff to consumer categories like Bulk supply domestic/ Allied Agro is beyond the scope of Electricity Act and suggested that subsidy if any should be directly given by the Govt. of Odisha in spite of Hon'ble OERC through tariff structure.

In this context it is to submit that, Govt of Odisha has taken a stand and instead of proding tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

**Respondent's view/objection:** Hon'ble commission is requested to re-introduce the 3-slab based graded incentive tariff in the FY 2023-24

**TPWODL Rejoinder:** The 3-slab based graded incentive tariff mechanism is not actually beneficial indeed even it complicates the billing mechanism. Further, in 3 slab mechanism the difference in slab tariff was negligible, but in two slab the difference is more than one rupee which is almost a reduction of 19%. Therefore, the earlier 3 slab tariff structure has been consciously withdrawn by Hon'ble Commission to extend more benefit to consumers.

**Respondent's view/objection:** Due to growth in HT/EHT sales, it is expected that there will lots of surplus revenue on the account of TPWODL and hence Hon'ble Commission is requested to reduce industrial tariff.

**TPWODL Rejoinder:** Growth in HT & EHT also contributes towards increase in drawl form GRIDCO who is the 'State Designated Authority' to procure power for all four DISCOMS of Odisha. Presently, due to marginal source of purchase, the cost of procurement also goes up. Accordingly, the expected surplus would be towards meeting costly power. With increase

trend in cost of supply, it is a challenge before Hon'ble Commission to provide stable tariff in Odisha.

**Respondent's view/objection:** Hon'ble commission is requested to approve CAPEX considering the likely interest burden on consumer, tariff shocks and effective checking of actual implementation of CAPEX. The third-party audit of CAPEX should be independently carried out and Hon'ble OERC may pass appropriate order on the same.

**TPWODL Rejoinder:** As per the vesting order of TPWODL the licensee is committed for capital investment of Rs.1663 crs in span of 5 years. In line with the same Hon'ble Commission has already approved Rs.333 crs for FY 21-22 and Rs.478 crs for FY 22-23. The licensee has projected Rs.516 crs for FY 23-24. The details are appended below:

FY	Upto 31-03-22 (Rs In Cr.)	Upto 31-03-23 (Rs in Cr.)	Upto 31-03-24 (Rs In Cr.)	Upto 31-03-25 (Rs In Cr.)	Upto 31-03-26 (Rs In Cr.)
Committed	306	806	1139	1461	1663
Proposed	462.42	582.18	516.39		
Approved	333.13	477.72			

The licensee places its CAPEX application in prior consultation with all the stakeholders and the investment proposal has been considered only on priority wherever there is requirement for overall improvement. Hon'ble Commission approves the CAPEX amount for each year after considering every aspect and appoints consultants to check the relevancy of the CAPEX application. The licensee is providing the information on CAPEX progress to Hon'ble OERC quarterly interval for better monitoring.

**Respondent's view/objection:** The respondent has submitted that the Distribution Loss & AT & C loss should be approved at a lower level

**TPWODL Rejoinder:** As per vesting order and new tariff regulation, 2022, for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT& C loss" and the trajectory for the same is fixed till FY 2030-31

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
- Strengthening of Energy audit for all 33kV, 11kV & DTR up to 250kVA. Identification of loss pocket and action to be taken for loss reduction.

There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

**Respondent's view/objection:** Projection of EHT, HT & LT sales

**TPWODL Rejoinder:** The licensee has already submitted its sales projection in details vide para 2.2 of ARR application. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2021-22 along with 1st six month of current year sales projection for the ensuing year has been made. The sale projection under EHT category includes the projection of sale under TPA. The intermittent power has been sold with regulatory approval and will be done in ensuing year if approved. Further, concessional scheme with flat rate of Rs.4.30 per unit for drawl beyond 80% of CD (Industries having CGP can draw up to double the CD, those who are having CD up to 20 MW) also helped in increase in consumption. Considering all these facts the EHT sale projection for ensuing year has been made.

As regards to LT sales, the reason for taking higher projection due to improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and installing new meters against defective meter, smart meter installation to all three phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filing.

**Respondent's view/objection:** Cross subsidy and its surcharge

**TPWODL Rejoinder:** 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order: *Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*

"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered." and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within  $\pm 20\%$  as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL

GM (RA & Strategy)

Burla

Dated:

C.C. M/s. Shri Radha Raman Alloys Private Ltd having its Regd Office at T-16 Civil Township, Rourkela, Works- Jharbada, Kutra-770070 Dist Sundargarh, Odisha, Email: srrai08@gmail.com , Mobile: +91-9437102890

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT

10/12/2023

NOTARY

Regd. No. OH 23/94

SAMBALPUR, ORISSA

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

10

**Case No.80 of 2022**

**IN THE MATTER OF: TP Western Odisha Distribution Limited**

**Corporate Office Burla, Sambalpur, Odisha-768017**

**AND**

**IN THE MATTER OF: M/s. Scan Steels Ltd. Unit-I having its Regd Office at No. 104, 105, E-Square, Subhash Road, Opp Havmore Ice cream, Vile Parle (East), Mumbai-400057, works at- Rambahal, Kesharnal, Rajgangpur, Dist- Sundargarh (Odisha), Email: [scansteels@scansteels.com](mailto:scansteels@scansteels.com), Mob: 706410466316**

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

Point wise rejoinder for the objection raised by objector are appended below: -

**Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified.



Considering the expenses of existing employees including terminal dues of pensioners/ family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e Rs. 614.97 Cr. for FY 2023-24 may please be approved.

Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

**Respondents View/ Objection:** The Respondent has provided the summary of R&M expense since FY 2010-11 to FY 23-24 and has not provided any comment.

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*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load*

PART OF AFFIDAVIT

NOTARY

Regd. No. ON 23/94  
SAMBALPUR: ORISSA

*Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*

However, Hon'ble Commission may take a judicious decision in this regard,

**Respondents View/ Objection:** The respondent conveys its gratitude towards Hon'ble Commission for extending special rebate to the steel industries and Proposes a change in the allowed rebate:

	CD upto 6 MVA	CD above 6 MVA
For L.F of $\geq 65\%$ to 70%	10% on EC	
For L.F of $>70\%$ to 80%	15% on EC	8% on EC
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However, the respondent states that to operate at the approved LF rebate is difficult and has proposed a change in LF rebate mechanism as described in the above para.

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**TPWODL Rejoinder:** The modification suggested by the respondent are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.	An additional discount of 50 p/unit on entire energy charges may be provided for the unit who will start their operation in FY 2022-23.
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Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s)/other stakeholders. But as per the modifications suggested by the respondent, it

appears to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopen with a lower load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

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In this context it is to submit that Govt of Odisha has taken a stand and instead of proding tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

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**TPWODL Rejoinder:** Growth in HT & EHT also contributes towards increase in drawl from GRIDCO who is the 'State Designated Authority' to procure power for all four DISCOMS

of Odisha. Presently, due to marginal source of purchase, the cost of procurement also goes up. Accordingly, the expected surplus would be towards meeting costly power. With increase trend in cost of supply, it is a challenge before Hon'ble Commission to provide stable tariff in Odisha.

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**Respondent's view/objection:** The respondent has submitted that the Distribution Loss & AT & C loss should be approved at a lower level

**TPWODL Rejoinder:** As per vesting order and new tariff regulation, 2022, for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT&C loss" and the trajectory for the same is fixed till FY 2030-31

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%



Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
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There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

**Respondent's view/objection:** Projection of EHT, HT & LT sales

**TPWODL Rejoinder:** The licensee has already submitted its sales projection in details vide para 2.2 of ARR application. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2021-22 along with 1st six month of current year sales projection for the ensuing year has been made. The sale projection under EHT category includes the projection of sale under TPA. The intermittent power has been sold with regulatory approval and will be done in ensuing year if approved. Further, concessional scheme with flat rate of Rs.4.30 per unit for drawl beyond 80% of CD (Industries having CGP can draw up to double the CD, those who are having CD up to 20 MW) also helped in increase in consumption. Considering all these facts the EHT sale projection for ensuing year has been made.

As regards to LT sales, the reason for taking higher projection due to improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and installing new meters against defective meter, smart meter installation to all three phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filing.

**Respondent's view/objection:** Cross subsidy and its surcharge

**TPWODL Rejoinder:** 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order:



*Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*

*"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered."* and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within +\_ 20% as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Burla

Dated:

C.C. M/s. Scan Steels Ltd. Unit-I having its Regd Office at No. 104, 105, E-Square, Subhash Road, Opp Havmore Ice cream, Vile Parle (East), Mumbai-400057, works at- Rambahal, Kesharmal, Rajgangpur, Dist- Sundargarh (Odisha), Email: [scansteels@scansteels.com](mailto:scansteels@scansteels.com), Mob: 706410466316

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

11

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

**Case No.80 of 2022**

**IN THE MATTER OF: TP Western Odisha Distribution Limited**

Corporate Office Burla, Sambalpur, Odisha-768017

AND

**IN THE MATTER OF: M/s. Puspanjana Alloys Pvt. Ltd.,** having its Regd Office at plot No. 1562/2565, Vill- Balanda, PO- Kalunga-770031, Dist-Sundergarh, Odisha. Email: puspanjanaalloys@gmail.com, Mobile: +91-9437049884

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

Point wise rejoinder for the objection raised by objector are appended below: -

**Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified. Considering the expenses of existing employees including terminal dues of pensioners/

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family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e Rs. 614.97 Cr. for FY 2023-24 may please be approved.

Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

**Respondents View/ Objection:** The Respondent has provided the summary of R&M expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the R&M expense vide page no. 78 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has provided the summary of A&G expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification and head wise break up regarding the A&G expense vide para 2.5 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has furnished the summary of depreciation cost for last twelve years and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the depreciation cost vide para 2.9 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** TPWODL has proposed for transmission charge, wheeling charge and cross subsidy on RE power through Open Access. Whereas recently Odisha Govt. has published Odisha Renewable Energy Policy, 2022, there is a provision of reduced charges and no CSS on RE by industries. Hon'ble OERC has been requested to be guided by RE policy, 2022.

**TPWODL Rejoinder:** As per para 23.5 of RE Policy, 2022, no CSS shall be applicable to industries on harnessing RE power through GRIDCO, which appears to be a different mechanism than prevailing Open Access. Further, as per RE policy the benefit is being extended only when it is generated inside the state of Odisha during the policy period.

On other hand, MoP, GoI has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that.

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows, namely: -*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*

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However, Hon'ble Commission may take a judicious decision in this regard,

**Respondents View/ Objection:** The respondent conveys its gratitude towards Hon'ble Commission for extending special rebate to the steel industries and Proposes a change in the allowed rebate:

	CD upto 6 MVA	CD above 6 MVA
For LF of $\Rightarrow$ 65% to 70%	10% on EC	
For LF of >70% to 80%	15% on EC	8% on EC
For LF of >80%	20% on EC	10% on EC

**TPWODL Rejoinder:** TPWODL has submitted the proposal to continue the special rebate with more clarity on applicability of it.

However, the respondent states that to operate at the approved LF rebate is difficult and has proposed a change in LF rebate mechanism as described in the above para.

Hon'ble Commission may take a suitable decision in this regard.

**Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal.

**TPWODL Rejoinder:** The modification suggested by the respondent are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.	An additional discount of 50 p/unit on entire energy charges may be provided for the unit who will start their operation in FY 2022-23.
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 23-24.	The industry has to start with lower load and should be allowed for CD reduction while starting.
Double incentive not to be given	The closed industries availing this revival discount should be eligible for additional discount and load factor incentives as submitted above and other tariff structure related to the operating industries.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s)/other stakeholders. But as per the modifications suggested by the respondent, it appears to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopens with a lower



load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

**Respondent's view/objection:** Tariff for industrial consumers of this state are continuously higher as compared to other consumer category at the same voltage level having lower load factor since many years. Hon'ble Commission should make an effort for rationalization of tariff based on voltage level, load factor, power factor, total consumption from 2023-24.

**TPWODL Rejoinder:** The respondent has claimed that the providing concessional tariff to consumer categories like Bulk supply domestic/ Allied Agro is beyond the scope of Electricity Act and suggested that subsidy if any should be directly given by the Govt. of Odisha in spite of Hon'ble OERC through tariff structure.

In this context it is to submit that, Govt of Odisha has taken a stand and instead of proding tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

**Respondent's view/objection:** Hon'ble commission is requested to re-introduce the 3-slab based graded incentive tariff in the FY 2023-24

**TPWODL Rejoinder:** The 3-slab based graded incentive tariff mechanism is not actually beneficial indeed even it complicates the billing mechanism. Further, in 3 slab mechanism the difference in slab tariff was negligible, but in two slab the difference is more than one rupee which is almost a reduction of 19%. Therefore, the earlier 3 slab tariff structure has been consciously withdrawn by Hon'ble Commission to extend more benefit to consumers.

**Respondent's view/objection:** Due to growth in HT/EHT sales, it is expected that there will lots of surplus revenue on the account of TPWODL and hence Hon'ble Commission is requested to reduce industrial tariff.

**TPWODL Rejoinder:** Growth in HT & EHT also contributes towards increase in drawl form GRIDCO who is the 'State Designated Authority' to procure power for all four DISCOMS of Odisha. Presently, due to marginal source of purchase, the cost of procurement also goes up. Accordingly, the expected surplus would be towards meeting costly power. With increase

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trend in cost of supply, it is a challenge before Hon'ble Commission to provide stable tariff in Odisha.

**Respondent's view/objection:** Hon'ble commission is requested to approve CAPEX considering the likely interest burden on consumer, tariff shocks and effective checking of actual implementation of CAPEX. The third-party audit of CAPEX should be independently carried out and Hon'ble OERC may pass appropriate order on the same.

**TPWODL Rejoinder:** As per the vesting order of TPWODL the licensee is committed for capital investment of Rs.1663 crs in span of 5 years. In line with the same Hon'ble Commission has already approved Rs.333 crs for FY 21-22 and Rs.478 crs for FY 22-23. The licensee has projected Rs.516 crs for FY 23-24. The details are appended below:

FY	Upto 31-03-22 (Rs in Cr.)	Upto 31-03-23 (Rs in Cr.)	Upto 31-03-24 (Rs in Cr.)	Upto 31-03-25 (Rs in Cr.)	Upto 31-03-26 (Rs in Cr.)
Committed	306	806	1139	1461	1663
Proposed	462.42	582.18	516.39		
Approved	333.13	477.72			

The licensee places its CAPEX application in prior consultation with all the stakeholders and the investment proposal has been considered only on priority wherever there is requirement for overall improvement. Hon'ble Commission approves the CAPEX amount for each year after considering every aspect and appoints consultants to check the relevancy of the CAPEX application. The licensee is providing the information on CAPEX progress to Hon'ble OERC quarterly interval for better monitoring.

**Respondent's view/objection:** The respondent has submitted that the Distribution Loss & AT & C loss should be approved at a lower level

**TPWODL Rejoinder:** As per vesting order and new tariff regulation, 2022, for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT&C loss" and the trajectory for the same is fixed till FY 2030-31

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
- Strengthening of Energy audit for all 33kV, 11kV & DTR up to 250kVA. Identification of loss pocket and action to be taken for loss reduction.

There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

**Respondent's view/objection:** Projection of EHT, HT & LT sales

**TPWODL Rejoinder:** The licensee has already submitted its sales projection in details vide para 2.2 of ARR application. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2021-22 along with 1st six month of current year sales projection for the ensuing year has been made. The sale projection under EHT category includes the projection of sale under TPA. The intermittent power has been sold with regulatory approval and will be done in ensuing year if approved. Further, concessional scheme with flat rate of Rs.4.30 per unit for drawl beyond 80% of CD (Industries having CGP can draw up to double the CD, those who are having CD up to 20 MW) also helped in increase in consumption. Considering all these facts the EHT sale projection for ensuing year has been made.

As regards to LT sales, the reason for taking higher projection due to improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and installing new meters against defective meter, smart meter installation to all three phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filing.

**Respondent's view/objection:** Cross subsidy and its surcharge

**TPWODL Rejoinder:** 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order: *Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*

*"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered."* and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within +\_ 20% as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Burla

Dated:

C.C. Mr. Tanmay Sobthalia, Director of M/s. Puspanjana Alloys Pvt. Ltd., having its Regd Office at plot No. 1562/2565, Vill- Balanda, PO- Kalunga-770031, Dist-Sundergarh, Odisha. Email: puspanjanaalloys@gmail.com, Mobile: +91-9437049884

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

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**Case No.80 of 2022**

**IN THE MATTER OF:** TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

**AND**

**IN THE MATTER OF:** M/s. Refulgent Ispat Pvt. Ltd., having its Regd Office at Vill- Chikatmati, P.O Beldihi-770031, Dist- Sundargarh, Odisha, Email: [refulgentispat@gmail.com](mailto:refulgentispat@gmail.com), Mob: 9437041152

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

Point wise rejoinder for the objection raised by objector are appended below: -

**Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified. Considering the expenses of existing employees including terminal dues of pensioners/

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family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e. Rs. 614.97 Cr. for FY 2023-24 may please be approved.

Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

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On other hand, MoP, GoI has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that.

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows, namely: -*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*

However, Hon'ble Commission may take a judicious decision in this regard,

**Respondents View/ Objection:** The respondent conveys its gratitude towards Hon'ble Commission for extending special rebate to the steel industries and Proposes a change in the allowed rebate:

	CD upto 6 MVA	CD above 6 MVA
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However, the respondent states that to operate at the approved LF rebate is difficult and has proposed a change in LF rebate mechanism as described in the above para.

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Proposal submitted by TPWODL	Modification suggested by the respondent
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Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

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In this context it is to submit that, Govt of Odisha has taken a stand and instead of proding tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

**Respondent's view/objection:** Hon'ble commission is requested to re-introduce the 3-slab based graded incentive tariff in the FY 2023-24

**TPWODL Rejoinder:** The 3-slab based graded incentive tariff mechanism is not actually beneficial indeed even it complicates the billing mechanism. Further, in 3 slab mechanism the difference in slab tariff was negligible, but in two slab the difference is more than one rupee which is almost a reduction of 19%. Therefore, the earlier 3 slab tariff structure has been consciously withdrawn by Hon'ble Commission to extend more benefit to consumers.

**Respondent's view/objection:** Due to growth in HT/EHT sales, it is expected that there will lots of surplus revenue on the account of TPWODL and hence Hon'ble Commission is requested to reduce industrial tariff.

**TPWODL Rejoinder:** Growth in HT & EHT also contributes towards increase in drawl form GRIDCO who is the 'State Designated Authority' to procure power for all four DISCOMS of Odisha. Presently, due to marginal source of purchase, the cost of procurement also goes up. Accordingly, the expected surplus would be towards meeting costly power. With Increase

trend in cost of supply, it is a challenge before Hon'ble Commission to provide stable tariff in Odisha.

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Proposed	462.42	582.18	516.39		
Approved	333.13	477.72			

The licensee places its CAPEX application in prior consultation with all the stakeholders and the investment proposal has been considered only on priority wherever there is requirement for overall improvement. Hon'ble Commission approves the CAPEX amount for each year after considering every aspect and appoints consultants to check the relevancy of the CAPEX application. The licensee is providing the information on CAPEX progress to Hon'ble OERC quarterly interval for better monitoring.

**Respondent's view/objection:** The respondent has submitted that the Distribution Loss & AT & C loss should be approved at a lower level

**TPWODL Rejoinder:** As per vesting order and new tariff regulation, 2022, for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT& C loss" and the trajectory for the same is fixed till FY 2030-31

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.



Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
- Strengthening of Energy audit for all 33kV, 11kV & DTR up to 250kVA. Identification of loss pocket and action to be taken for loss reduction.

There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

**Respondent's view/objection:** Projection of EHT, HT & LT sales

**TPWODL Rejoinder:** The licensee has already submitted its sales projection in details vide para 2.2 of ARR application. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2021-22 along with 1st six month of current year sales projection for the ensuing year has been made. The sale projection under EHT category includes the projection of sale under TPA. The intermittent power has been sold with regulatory approval and will be done in ensuing year if approved. Further, concessional scheme with flat rate of Rs.4.30 per unit for drawl beyond 80% of CD (Industries having CGP can draw up to double the CD, those who are having CD up to 20 MW) also helped in increase in consumption. Considering all these facts the EHT sale projection for ensuing year has been made.

As regards to LT sales, the reason for taking higher projection due to improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and installing new meters against defective meter, smart meter installation to all three phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filling.

**Respondent's view/objection:** Cross subsidy and its surcharge

**TPWODL Rejoinder:** 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order: *Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*

"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered." and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within  $\pm 20\%$  as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Burla

Dated:

C.C. Mr. Ramesh Jalan, Director of M/s. Refulgent Ispat Pvt. Ltd., having its Regd Office at Vill- Chikatmati, P.O Beldihi-770031, Dist- Sundargarh, Odisha, Email: [refulgentispat@gmail.com](mailto:refulgentispat@gmail.com), Mob: 9437041152

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT  
6-12-2023  
NOTARY  
Regd. No. OH 23194  
SAMBALPUR: ORISSA

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

**Case No.80 of 2022**

**IN THE MATTER OF: TP Western Odisha Distribution Limited**

Corporate Office Burla, Sambalpur, Odisha-768017

**AND**

**IN THE MATTER OF: M/s. Aurn Steel Industries Pvt Ltd** having its Regd Office At -Plot No 373  
Jiabahal Road Kalunga-770031, Dist-Sundergarh, Odisha . Email: aurnsteel16@rediffmail.com,  
Mobile: +91-9437045634

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

Point wise rejoinder for the objection raised by objector are appended below: -

**Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified. Considering the expenses of existing employees including terminal dues of pensioners/

family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e. Rs. 614.97 Cr. for FY 2023-24 may please be approved.

Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

**Respondents View/ Objection:** The Respondent has provided the summary of R&M expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the R&M expense vide page no. 78 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has provided the summary of A&G expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification and head wise break up regarding the A&G expense vide para 2.5 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has furnished the summary of depreciation cost for last twelve years and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the depreciation cost vide para 2.9 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** TPWODL has proposed for transmission charge, wheeling charge and cross subsidy on RE power through Open Access. Whereas recently Odisha Govt. has published Odisha Renewable Energy Policy, 2022, there is a provision of reduced charges and no CSS on RE by industries. Hon'ble OERC has been requested to be guided by RE policy, 2022.

**TPWODL Rejoinder:** As per para 23.5 of RE Policy, 2022, no CSS shall be applicable to industries on harnessing RE power through GRIDCO, which appears to be a different mechanism than prevailing Open Access. Further, as per RE policy the benefit is being extended only when it is generated inside the state of Odisha during the policy period.

On other hand, MoP, Govt has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that.

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows, namely: -*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*



However, Hon'ble Commission may take a judicious decision in this regard,

**Respondents View/ Objection:** The respondent conveys its gratitude towards Hon'ble Commission for extending special rebate to the steel industries and Proposes a change in the allowed rebate:

	CD upto 6 MVA	CD above 6 MVA
For L.F of =>65% to 70%	10% on EC	
For L.F of >70% to 80%	15% on EC	8% on EC
For L.F of >80%	20% on EC	10% on EC

**TPWODL Rejoinder:** TPWODL has submitted the proposal to continue the special rebate with more clarity on applicability of it.

However, the respondent states that to operate at the approved LF rebate is difficult and has proposed a change in LF rebate mechanism as described in the above para.

Hon'ble Commission may take a suitable decision in this regard.

**Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal.

**TPWODL Rejoinder:** The modification suggested by the respondent are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.	An additional discount of 50 p/unit on entire energy charges may be provided for the unit who will start their operation in FY 2022-23.
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 23-24.	The industry has to start with lower load and should be allowed for CD reduction while starting.
Double Incentive not to be given	The closed industries availing this revival discount should be eligible for additional discount and load factor incentives as submitted above and other tariff structure related to the operating industries.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s)/other stakeholders. But as per the modifications suggested by the respondent, it appears to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopens with a lower

load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

**Respondent's view/objection:** Tariff for industrial consumers of this state are continuously higher as compared to other consumer category at the same voltage level having lower load factor since many years. Hon'ble Commission should make an effort for rationalization of tariff based on voltage level, load factor, power factor, total consumption from 2023-24.

**TPWODL Rejoinder:** The respondent has claimed that the providing concessional tariff to consumer categories like Bulk supply domestic/ Allied Agro is beyond the scope of Electricity Act and suggested that subsidy if any should be directly given by the Govt. of Odisha in spite of Hon'ble OERC through tariff structure.

In this context it is to submit that, Govt of Odisha has taken a stand and instead of proding tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

**Respondent's view/objection:** Hon'ble commission is requested to re-introduce the 3-slab based graded incentive tariff in the FY 2023-24

**TPWODL Rejoinder:** The 3-slab based graded incentive tariff mechanism is not actually beneficial indeed even it complicates the billing mechanism. Further, in 3 slab mechanism the difference in slab tariff was negligible, but in two slab the difference is more than one rupee which is almost a reduction of 19%. Therefore, the earlier 3 slab tariff structure has been consciously withdrawn by Hon'ble Commission to extend more benefit to consumers.

**Respondent's view/objection:** Due to growth in HT/EHT sales, it is expected that there will lots of surplus revenue on the account of TPWODL and hence Hon'ble Commission is requested to reduce industrial tariff.

**TPWODL Rejoinder:** Growth in HT & EHT also contributes towards increase in drawl form GRIDCO who is the 'State Designated Authority' to procure power for all four DISCOMS of Odisha. Presently, due to marginal source of purchase, the cost of procurement also goes up. Accordingly, the expected surplus would be towards meeting costly power. With increase

trend in cost of supply, it is a challenge before Hon'ble Commission to provide stable tariff in Odisha.

**Respondent's view/objection:** Hon'ble commission is requested to approve CAPEX considering the likely interest burden on consumer, tariff shocks and effective checking of actual implementation of CAPEX. The third-party audit of CAPEX should be independently carried out and Hon'ble OERC may pass appropriate order on the same.

**TPWODL Rejoinder:** As per the vesting order of TPWODL the licensee is committed for capital investment of Rs.1663 crs in span of 5 years. In line with the same Hon'ble Commission has already approved Rs.333 crs for FY 21-22 and Rs.478 crs for FY 22-23. The licensee has projected Rs.516 crs for FY 23-24. The details are appended below:

FY	Upto 31-03-22 (Rs in Cr.)	Upto 31-03-23 (Rs in Cr.)	Upto 31-03-24 (Rs in Cr.)	Upto 31-03-25 (Rs in Cr.)	Upto 31-03-26 (Rs in Cr.)
Committed	306	806	1139	1461	1663
Proposed	462.42	582.18	516.39		
Approved	333.13	477.72			

The licensee places its CAPEX application in prior consultation with all the stakeholders and the investment proposal has been considered only on priority wherever there is requirement for overall improvement. Hon'ble Commission approves the CAPEX amount for each year after considering every aspect and appoints consultants to check the relevancy of the CAPEX application. The licensee is providing the information on CAPEX progress to Hon'ble OERC quarterly interval for better monitoring.

**Respondent's view/objection:** The respondent has submitted that the Distribution Loss & AT & C loss should be approved at a lower level

**TPWODL Rejoinder:** As per vesting order and new tariff regulation, 2022, for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT&C loss" and the trajectory for the same is fixed till FY 2030-31

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
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There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

**Respondent's view/objection:** Projection of EHT, HT & LT sales

**TPWODL Rejoinder:** The licensee has already submitted its sales projection in details vide para 2.2 of ARR application. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2021-22 along with 1st six month of current year sales projection for the ensuing year has been made. The sale projection under EHT category includes the projection of sale under TPA. The intermittent power has been sold with regulatory approval and will be done in ensuing year if approved. Further, concessional scheme with flat rate of Rs.4.30 per unit for drawl beyond 80% of CD (Industries having CGP can draw up to double the CD, those who are having CD up to 20 MW) also helped in increase in consumption. Considering all these facts the EHT sale projection for ensuing year has been made.

As regards to LT sales, the reason for taking higher projection due to improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and installing new meters against defective meter, smart meter installation to all three phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filing.

**Respondent's view/objection:** Cross subsidy and its surcharge

**TPWODL Rejoinder:** 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order: *Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*



*"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered."* and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within +\_ 20% as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL

GM (RA & Strategy)

Burla

Dated:

C.C. Mr. Satish Kumar Garg, Director & Authorized Signatory of M/s. Aurn Steel Industries Pvt Ltd having its Regd Office At -Plot No 373 Jiabahal Road Kalunga-770031, Dist-Sundergarh, Odisha . Email: aurnsteel16@rediffmail.com, Mobile: +91-9437045634

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT  
6-05-2023  
NOTARY  
Regd. No. ON 23/94  
SAMBALPUR-ORISSA

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLL, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

**Case No.80 of 2022**

**IN THE MATTER OF:** TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

**AND**

**IN THE MATTER OF:** M/s. Bajrang Steel and Alloys Ltd. having its Regd. Office at Plot no: 31, Goibhanga, Kalunga, Rourkela-770031, Dist.: Sundargarh, Odisha, Email : [bajrangrkl@gmail.com](mailto:bajrangrkl@gmail.com), Mobile: 7691060161

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

Point wise rejoinder for the objection raised by objector are appended below: -

**Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified. Considering the expenses of existing employees including terminal dues of pensioners/

**PART OF AFFIDAVIT**  
6-8-12-102 2022  
**NOTARY**  
Regd. No. ON 23/94  
SAMBALPUR:ORISSA

family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e Rs. 614.97 Cr. for FY 2023-24 may please be approved.

Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

**Respondents View/ Objection:** The Respondent has provided the summary of R&M expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the R&M expense vide page no. 78 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has provided the summary of A&G expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification and head wise break up regarding the A&G expense vide para 2.5 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has furnished the summary of depreciation cost for last twelve years and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the depreciation cost vide para 2.9 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** TPWODL has proposed for transmission charge, wheeling charge and cross subsidy on RE power through Open Access. Whereas recently Odisha Govt. has published Odisha Renewable Energy Policy, 2022, there is a provision of reduced charges and no CSS on RE by industries. Hon'ble OERC has been requested to be guided by RE policy, 2022.

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On other hand, MoP, GoI has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that.

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows, namely:-*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*

PART OF REFILED  
6/12/2023  
NOTARY  
Regd. No. DN 23/84  
SANBALPUR: ORISSA

However, Hon'ble Commission may take a judicious decision in this regard,

**Respondents View/ Objection:** The respondent conveys its gratitude towards Hon'ble Commission for extending special rebate to the steel industries and Proposes a change in the allowed rebate:

	CD upto 6 MVA	CD above 6 MVA
For L.F of $\geq 65\%$ to 70%	10% on EC	
For L.F of $>70\%$ to 80%	15% on EC	8% on EC
For L.F of $>80\%$	20% on EC	10% on EC

**TPWODL Rejoinder:** TPWODL has submitted the proposal to continue the special rebate with more clarity on applicability of it.

However, the respondent states that to operate at the approved LF rebate is difficult and has proposed a change in LF rebate mechanism as described in the above para.

Hon'ble Commission may take a suitable decision in this regard.

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**TPWODL Rejoinder:** The modification suggested by the respondent are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.	An additional discount of 50 p/unit on entire energy charges may be provided for the unit who will start their operation in FY 2022-23.
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 23-24.	The industry has to start with lower load and should be allowed for CD reduction while starting.
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Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s)/other stakeholders. But as per the modifications suggested by the respondent, it appears to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopens with a lower



load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

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In this context it is to submit that, Govt of Odisha has taken a stand and instead of proding tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

**Respondent's view/objection:** Hon'ble commission is requested to re-introduce the 3-slab based graded incentive tariff in the FY 2023-24

**TPWODL Rejoinder:** The 3-slab based graded incentive tariff mechanism is not actually beneficial indeed even it complicates the billing mechanism. Further, in 3 slab mechanism the difference in slab tariff was negligible, but in two slab the difference is more than one rupee which is almost a reduction of 19%. Therefore, the earlier 3 slab tariff structure has been consciously withdrawn by Hon'ble Commission to extend more benefit to consumers.

**Respondent's view/objection:** Due to growth in HT/EHT sales, it is expected that there will lots of surplus revenue on the account of TPWODL and hence Hon'ble Commission is requested to reduce industrial tariff.

**TPWODL Rejoinder:** Growth in HT & EHT also contributes towards increase in drawl form GRIDCO who is the 'State Designated Authority' to procure power for all four DISCOMS of Odisha. Presently, due to marginal source of purchase, the cost of procurement also goes

up. Accordingly, the expected surplus would be towards meeting costly power. With increase trend in cost of supply, it is a challenge before Hon'ble Commission to provide stable tariff in Odisha.

**Respondent's view/objection:** Hon'ble commission is requested to approve CAPEX considering the likely interest burden on consumer, tariff shocks and effective checking of actual implementation of CAPEX. The third-party audit of CAPEX should be independently carried out and Hon'ble OERC may pass appropriate order on the same.

**TPWODL Rejoinder:** As per the vesting order of TPWODL the licensee is committed for capital investment of Rs.1663 crs in span of 5 years. In line with the same Hon'ble Commission has already approved Rs.333 crs for FY 21-22 and Rs.478 crs for FY 22-23. The licensee has projected Rs.516 crs for FY 23-24. The details are appended below:

FY	Upto 31-03-22 (Rs in Cr.)	Upto 31-03-23 (Rs in Cr.)	Upto 31-03-24 (Rs in Cr.)	Upto 31-03-25 (Rs in Cr.)	Upto 31-03-26 (Rs in Cr.)
Committed	306	806	1139	1461	1663
Proposed	462.42	582.18	516.39		
Approved	333.13	477.72			

The licensee places its CAPEX application in prior consultation with all the stakeholders and the investment proposal has been considered only on priority wherever there is requirement for overall improvement. Hon'ble Commission approves the CAPEX amount for each year after considering every aspect and appoints consultants to check the relevancy of the CAPEX application. The licensee is providing the information on CAPEX progress to Hon'ble OERC quarterly interval for better monitoring.

**Respondent's view/objection:** The respondent has submitted that the Distribution Loss & AT & C loss should be approved at a lower level

**TPWODL Rejoinder:** As per vesting order and new tariff regulation, 2022, for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT& C loss" and the trajectory for the same is fixed till FY 2030-31

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
- Strengthening of Energy audit for all 33kV, 11kV & DTR up to 250kVA. Identification of loss pocket and action to be taken for loss reduction.

There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

**Respondent's view/objection:** Projection of EHT, HT & LT sales

**TPWODL Rejoinder:** The licensee has already submitted its sales projection in details vide para 2.2 of ARR application. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2021-22 along with 1st six month of current year sales projection for the ensuing year has been made. The sale projection under EHT category includes the projection of sale under TPA. The intermittent power has been sold with regulatory approval and will be done in ensuing year if approved. Further, concessional scheme with flat rate of Rs.4.30 per unit for drawl beyond 80% of CD (Industries having CGP can draw up to double the CD, those who are having CD up to 20 MW) also helped in increase in consumption. Considering all these facts the EHT sale projection for ensuing year has been made.

As regards to LT sales, the reason for taking higher projection due to improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and installing new meters against defective meter, smart meter installation to all three phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filing.

**Respondent's view/objection:** Cross subsidy and its surcharge

**TPWODL Rejoinder:** 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order:

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*Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*

*"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered."* and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within +\_ 20% as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL

GM (RA & Strategy)

Burla

Dated:

C.C. Mr. Ayush Agarwal, Director & Authorized Signatory of M/s. Bajrang Steel and Alloys Ltd. having its Regd. Office at Plot no: 31, Golbhanga, Kalunga, Rourkela-770031, Dist.: Sundargarh, Odisha. Email : [bajrangrkl@gmail.com](mailto:bajrangrkl@gmail.com), Mobile: 7691060161

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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6/12/2023

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SAMBAJ.PUP:ORISSA



**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

**Case No.80 of 2022**

**IN THE MATTER OF: TP Western Odisha Distribution Limited**

Corporate Office Burla, Sambalpur, Odisha-768017

**AND**

**IN THE MATTER OF: M/s. Maa Girija Pvt Ltd** having its Regd Office at BB-2, Ground Floor, Civil Township, Rourkela-769004, Dist-Sundergarh . Email: mgipl2002@gmail.com, Mobile: +91-9437042952

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

Point wise rejoinder for the objection raised by objector are appended below: -

**Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified. Considering the expenses of existing employees including terminal dues of pensioners/

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family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e Rs. 614.97 Cr. for FY 2023-24 may please be approved.

Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

**Respondents View/ Objection:** The Respondent has provided the summary of R&M expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the R&M expense vide page no. 78 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has provided the summary of A&G expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification and head wise break up regarding the A&G expense vide para 2.5 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has furnished the summary of depreciation cost for last twelve years and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the depreciation cost vide para 2.9 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** TPWODL has proposed for transmission charge, wheeling charge and cross subsidy on RE power through Open Access. Whereas recently Odisha Govt. has published Odisha Renewable Energy Policy, 2022, there is a provision of reduced charges and no CSS on RE by industries. Hon'ble OERC has been requested to be guided by RE policy, 2022.

**TPWODL Rejoinder:** As per para 23.5 of RE Policy, 2022, no CSS shall be applicable to industries on harnessing RE power through GRIDCO, which appears to be a different mechanism than prevailing Open Access. Further, as per RE policy the benefit is being extended only when it is generated inside the state of Odisha during the policy period.

On other hand, MoP, GoI has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that.

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows, namely: -*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*

However, Hon'ble Commission may take a judicious decision in this regard.

**Respondents View/ Objection:** The respondent conveys its gratitude towards Hon'ble Commission for extending special rebate to the steel industries and Proposes a change in the allowed rebate:

	CD upto 6 MVA	CD above 6 MVA
For L.F of $\Rightarrow$ 65% to 70%	10% on EC	
For L.F of $>$ 70% to 80%	15% on EC	8% on EC
For L.F of $>$ 80%	20% on EC	10% on EC

**TPWODL Rejoinder:** TPWODL has submitted the proposal to continue the special rebate with more clarity on applicability of it.

However, the respondent states that to operate at the approved LF rebate is difficult and has proposed a change in LF rebate mechanism as described in the above para.

Hon'ble Commission may take a suitable decision in this regard.

**Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal.

**TPWODL Rejoinder:** The modification suggested by the respondent are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.	An additional discount of 50 p/unit on entire energy charges may be provided for the unit who will start their operation in FY 2022-23.
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 23-24.	The industry has to start with lower load and should be allowed for CD reduction while starting.
Double incentive not to be given	The closed industries availing this revival discount should be eligible for additional discount and load factor incentives as submitted above and other tariff structure related to the operating industries.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s)/other stakeholders. But as per the modifications suggested by the respondent, it appears to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopens with a lower

load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

**Respondent's view/objection:** Tariff for industrial consumers of this state are continuously higher as compared to other consumer category at the same voltage level having lower load factor since many years. Hon'ble Commission should make an effort for rationalization of tariff based on voltage level, load factor, power factor, total consumption from 2023-24.

**TPWODL Rejoinder:** The respondent has claimed that the providing concessional tariff to consumer categories like Bulk supply domestic/ Allied Agro is beyond the scope of Electricity Act and suggested that subsidy if any should be directly given by the Govt. of Odisha in spite of Hon'ble OERC through tariff structure.

In this context it is to submit that, Govt of Odisha has taken a stand and instead of proding tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

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**TPWODL Rejoinder:** The 3-slab based graded incentive tariff mechanism is not actually beneficial indeed even it complicates the billing mechanism. Further, in 3 slab mechanism the difference in slab tariff was negligible, but in two slab the difference is more than one rupee which is almost a reduction of 19%. Therefore, the earlier 3 slab tariff structure has been consciously withdrawn by Hon'ble Commission to extend more benefit to consumers.

**Respondent's view/objection:** Due to growth in HT/EHT sales, it is expected that there will lots of surplus revenue on the account of TPWODL and hence Hon'ble Commission is requested to reduce industrial tariff.

**TPWODL Rejoinder:** Growth in HT & EHT also contributes towards increase in drawl form GRIDCO who is the 'State Designated Authority' to procure power for all four DISCOMS of Odisha. Presently, due to marginal source of purchase, the cost of procurement also goes

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up. Accordingly, the expected surplus would be towards meeting costly power. With increase trend in cost of supply, it is a challenge before Hon'ble Commission to provide stable tariff in Odisha.

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FY	Upto 31-03-22 (Rs in Cr.)	Upto 31-03-23 (Rs in Cr.)	Upto 31-03-24 (Rs in Cr.)	Upto 31-03-25 (Rs in Cr.)	Upto 31-03-26 (Rs in Cr.)
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Proposed	462.42	582.18	516.39		
Approved	333.13	477.72			

The licensee places its CAPEX application in prior consultation with all the stakeholders and the investment proposal has been considered only on priority wherever there is requirement for overall improvement. Hon'ble Commission approves the CAPEX amount for each year after considering every aspect and appoints consultants to check the relevancy of the CAPEX application. The licensee is providing the information on CAPEX progress to Hon'ble OERC quarterly interval for better monitoring.

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**TPWODL Rejoinder:** As per vesting order and new tariff regulation, 2022, for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT&C loss" and the trajectory for the same is fixed till FY 2030-31

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FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
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FY 2031	9.50%

Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
- Strengthening of Energy audit for all 33kV, 11kV & DTR up to 250kVA. Identification of loss pocket and action to be taken for loss reduction.

There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

**Respondent's view/objection:** Projection of EHT, HT & LT sales

**TPWODL Rejoinder:** The licensee has already submitted its sales projection in details vide para 2.2 of ARR application. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2021-22 along with 1st six month of current year sales projection for the ensuing year has been made. The sale projection under EHT category includes the projection of sale under TPA. The intermittent power has been sold with regulatory approval and will be done in ensuing year if approved. Further, concessional scheme with flat rate of Rs.4.30 per unit for drawl beyond 80% of CD (Industries having CGP can draw up to double the CD, those who are having CD up to 20 MW) also helped in increase in consumption. Considering all these facts the EHT sale projection for ensuing year has been made.

As regards to LT sales, the reason for taking higher projection due to improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and installing new meters against defective meter, smart meter installation to all three phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filling.

**Respondent's view/objection:** Cross subsidy and its surcharge

**TPWODL Rejoinder:** 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order:

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*Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*

*"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered."* and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within +\_ 20% as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Burla

Dated:

C.C. Mr. Birendra Kumar Sinha, Director & Authorized Signatory of M/s. Maa Girija Pvt Ltd having its Regd Office at BB-2, Ground Floor, Civil Township, Rourkela-769004, Dist-Sundergarh . Email: mgipl2002@gmail.com, Mobile: +91-9437042952

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

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**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office – Burla, Sambalpur, Odisha – 768017

**AND**

**In the matter of:** Shri Priyabrata Sahu, aged about 48 years, S/o Late Adikanda Sahu, At: Bijaya Bihar, 3<sup>rd</sup> Lane, PO: Berhampur, Dist.: Ganjam, Pin: 760004.

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

Point wise reply for the objection raised by objector are appended below: -

- 1. Respondent's view/objection:** ARR of all DISCOMs proposes an unnatural hike in expenditure in employees' cost, repair & maintenance cost and A&G expenditure which is double than the last year approved expenditure. Further, power outages have gone up after TATA power taken over the company. If the gap proposed by all DISCOMs is allowed it will increase the cost of unit by Rs. 1.00 per unit.

**TPWODL Rejoinder:** As regards to the increase in Employee cost, R&M cost and A&G cost, TPWODL would like to state that as FY 2021-22 was the first year of operation, lots of issues from areas like meter reading, billing, collection, repair and maintenance of network assets, customer service, civil maintenance, hiring of employees, creation of different office set up etc. was the major challenge for the licensee. The ABP was filed in Feb-21 which was being approved in Oct-21, pending decision of the Hon'ble Commission, TPWODL was conservative in engaging the AMC contracts, carrying out competitive bidding process for appointment of circle wise MBC agencies, hiring of employees etc. Hence delay in engaging different agencies by about 7 months, as a result ended up with shortfall in actual expenses. If the same would have been taken up from the beginning of the financial year, the associated costs would have been much higher.

Now from the current financial year the costs towards above initiatives has already taken up. Accordingly, the estimated expenditure for the current year i.e. FY 2022-23 onwards will obviously be higher and not unnatural than the costs actually incurred in FY 2021-22.



Also, TPWODL in its ARR Petition at Page Nos. 22-36, 37-72 and 72-88 have given detailed justifications for Employee expenses, A&G expenses and R&M expenses respectively.

With regards to power outage, it is submitted that TPWODL has initiated nos. of activity for reduction of interruption, break down etc. during last two years. On implementation of the various measures the power supply position has improved. Through continuous patrolling, network augmentation, periodical preventive maintenance etc. number of tripping has been gradually reducing. Since FY 2021-22, TPWODL has attained many achievements such as establishment of 24\*7 & Operational Power System Control Centre (PSCC) and provided mobile applications to all 33/11KV Primary Sub-Station to collect the operational information, Planned Outages monitoring and information pass on to consumers regarding the outages in their area before 48 hrs. every major breakdown and planned outages informed to centralized Call Centre and consumers benefitted through it.

Further, prudent check of the cost as estimated by the licensee shall be made by Hon'ble Commission before approval.

2. **Respondent's view/objection:** Hon'ble Commission has imposed DPS on the Dom & Commercial consumers @1.25%. This provision is used by the company to extract money from the consumer. They are not serving bill to consumer but charging DPS on bills not paid. Further, rebate are not passed on to the consumer when the actual bill is generated.

**TPWODL Rejoinder:** TPWODL would like to submit that the Hon'ble Commission has pleased to enhance the % of digital rebate from 2% to 3% for LT Domestic and GP single phase customers in FY 22-23 apart from other rebate as otherwise available to them. Consumers are moving towards online mode and availing the rebate. To improve the reach to the consumers, the licensee has engaged various service providers for easy payment option to the consumers for payment of Energy Bills through offline/online mode. The purpose of such engagement of the service providers is to accelerate the revenue collection and to reduce the door-to-door collection by the Company. On introduction of 3% from FY 2022-23 onwards digital receipts have also increased.

Therefore, to avoid the tendency of certain consumers among the consumer categories of Dom & Commercial who are negligent towards bill payment once the due date is over, Hon'ble Commission has introduced Delayed Payment Surcharge mechanism. The licensee never intends that its esteemed customer should pay DPS, rather encourages for payment within due date and avail rebate. Also, charging of DPS is in line with neighboring states and acts as deterrent for non-payment of bills in time. The objector has erred in comparing interest on fixed deposits to delayed payment surcharge which in turn is a penalty for non-payment of bills.

3. **Respondent's view/objection:** DISCOMs are disconnecting the power supply without proper notice. The same should be stopped immediately.

**TPWODL Rejoinder:** TPWODL submits that it is strictly guided by and follows the appropriate Codes and Appendix of OERC (Conditions of Supply) Code, 2019 and is well within the ambit of the same.

4. **Respondent's view/objection:** While calculating the interest on CAPEX loan is charged for the whole year. Details of such loans availed from Banks and rate of interest may be furnished.

**TPWODL Rejoinder:** It is submitted that for FY 2023-24, TPWODL has submitted CAPEX plan of Rs.516.39 Cr. separately to the Hon'ble Commission on 22.12.2022. To carry out the CAPEX, apart from equity contribution of 30%, balance 70 % has been proposed through loan from different banks/ financial institutions for an amount of Rs. 361.51 Cr. with the debt-to-equity ratio of 70:30. The proposed rate of interest has been considered at 11.70% p.a. (8.70% +3%).

5. **Respondent's view/objection:** DISCOMs must give detail financial benefits derived from the CAPEX plan on account of loss reduction and its impact on tariff.

**TPWODL Rejoinder:** It is submitted that TPWODL in its CAPEX plan for FY 2023-24 submitted to the Hon'ble Commission on 22.12.2022 had provided a detailed cost benefit analysis providing annual benefit due to reduction in AT&C losses via increase in billing and collection efficiencies which may lead to tariff reduction in future years.

6. **Respondent's view/objection:** Intention of regulation is to keep security deposit as per consumption of the consumer and return the balance security deposit to the consumer thereby safe guarding both consumer as well as interest of the company in the interest of justice. So, the security deposit may be calculated on actual load instead of normative load in case of existing consumer.

**TPWODL Rejoinder:** In this context it is to submit that initial SD is being calculated as per normative mechanism in line with extant Regulation. However, in each year, preferable after March the licensee is reviewing the requirement of SD considering past years consumption. If the amount of available SD is sufficient enough then no additional SD is asked for.

However, considering past years consumption the requirement is more, then the consumer has to pay ASD. Similarly, in case of available SD is more than the requirement, in such case refund is being made through subsequent billing months. TPWODL also submits that it is strictly guided by and follows the appropriate Codes and Appendix of OERC (Conditions of Supply) Code, 2019.

7. **Respondent's view/objection:** Appropriate directions to DISCOM authorities for consideration of energy consumption in kWh for HT IND consumers till the DTRs of power utilities are standardized as per BEE and request for fund of excess revenue already collected by adjusting in their respective ECh bills.

**TPWODL Rejoinder:** That the Hon'ble Commission has introduced kVAh billing in FY-2021-2022 which was supposed to be introduced in FY-2014-2015. Observation of Hon'ble Commission as rendered at Para-202 of the present RST Order is quoted below;

*"The Commission always aim for rationalisation of tariff structure by progressive introduction of a cost-based tariff and has set the Energy Charge at different voltage levels to reflect the cost of supply. While determining the Energy Charge, the principle of higher rate for supply at low voltage and gradual reduction in rate as the voltage level goes up has been adopted. The Commission has introduced kVAh tariff for HT and EHT consumers since FY 2021-22. This method of billing for energy charge captures both active and reactive energy consumed by the consumers and the same will continue for FY 2022-23."*

Aforesaid observation of Hon'ble Commission would establish the fact that kVAh billing system would give benefit to both the consumer as well as the licensee in maintaining system stability, ensuring power quality and achieving loss reduction.

In this regard it would be prudent to submit that Hon'ble APTEL has dealt with the issue of kVAh billing on several occasions. In Prime Ispat Ltd. and Another vrs Chhattisgarh State Electricity Regulatory Commission and Others (A.No.263 of 2014, decided on 10.04.2015), the issue of kVAh billing was discussed. Relevant observations of Hon'ble Tribunal are quoted here-in-below.

*"8.9. Now we explain the advantage of High-Power Factor and kVAh billing as under:*

*(a) Higher the Power Factor, lower is the Load Current and thereby Technical Losses of the transmission lines i.e.  $I^2R$  losses will be reduced considerably.*

*(b) Due to increase of Power Factor (nearer to one), the consumer's demand charges will be reduced and also the kVAh billing will also be correspondingly reduced.*

*(c) The Higher Power Factor will reduce the demand on the system and improve the systems Voltage.*

*(d) Increases the available transmission and distribution system capacity.*

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(e) The improvement in Power Factor will reduce the licensee's expenditure on Power Purchase and thereby the consumers will be benefited with lower tariff.

8.10. In view of the above, most of the States are changing their billing system from KWH to kVAh billing system.

8.11. The learned counsel of the Appellant has contended that due to kVAh billing, bill amount has been increased and thereby the Appellant burdened with higher power bill. We do not find any merit in the contention for the following reasons: Because Power Factor =  $KWH / KVAH$

If Power Factor is unity, then  $KWH = KVAH$

In the instant case, the Power Factor is less than unity and hence the consumption recorded in respect of kVAh is high compared to KWH consumption. Further, the power factor surcharge/rebate will not be there in kVAh billing. Thus, the kVAh based billing will drive the consumers to reach unity power factor and thereby the system performance will be improved and also reactive power drawl from the system will be minimised and thereby better system voltages for the tail end consumers also."

Forum of Regulators (FoR) also recommended kVAh billing during 2009. As of now, most of the State Electricity Regulatory Commissions (SERC) in various States viz. Himachal Pradesh, Delhi, Uttar Pradesh, Jammu & Kashmir, Andhra Pradesh, Chhattisgarh, Bihar, Haryana, Punjab, Maharashtra etc. have already introduced kVAh based tariff for various categories.

**Advantages of kVAh billing system: -**

To Consumers	To DISCOM(s)
<ol style="list-style-type: none"><li>1. kVAh billing will ensure that the consumers who will utilize the power efficiently will be paying less energy charges as compared to others who are not using the power efficiently.</li><li>2. The new billing methodology will be much simpler to understand as number of parameters viz. PF, rkVAh (lead/lag), kWh units) will be reduced.</li></ol>	<ol style="list-style-type: none"><li>1. Good system stability, improved power quality, improved voltage profile and reduced capital expenditure.</li><li>2. Complete recovery of cost of active and reactive powers.</li><li>3. Zero/ minimal drawl of reactive power by consumers.</li><li>4. Reduction in power purchase cost</li></ol>

**8. Respondent's view/objection:** Increase in meter rent of smart meter.

**TPWODL Rejoinder:** It is submitted that under regulation 97 (iv) (3) of the OERC Distribution (Conditions of Supply) Code, 2019, the licensee/supplier is permitted to move on gradually towards installation/replacement of prepaid/smart/pre-paid smart meters preferably within three years. MoP, GoI have also issued timelines for replacement of existing meters with smart meters for all consumers.



The Hon'ble Commission had permitted the recovery of Smart meter cost through monthly meter rent. Currently, TPWODL recovers an amount of Rs. 1500/- (Meter Cost - Rs. 1271/- + Rs. 229/- GST) under Mo Bidyut towards installation of Single-Phase meter while providing new connection. TPWODL have started installation of Smart Meter phase wise, beginning with 3 Ph category from July, 2022. The cost of Single-Phase Smart Meter would be around Rs. 4500/- (with GST) including installation needs to be recovered from the consumer. However, as per existing RST order for single phase Smart meter, monthly meter rent is only Rs.60 and licensee are permitted to recover maximum up to 60 months. As a result, entire cost of smart meters including cost of installation is not fully recoverable. Hence, the Licensee has requested the Hon'ble Commission for suitable revision of the monthly meter rent i.e. Rs. 80 from Rs. 60 for Single-Phase Smart Meter.

9. **Respondent's view/objection:** Tax on return on equity may not be considered as it has to be paid out of licensee's return on capital. Passing the same to the consumer is not acceptable. Further, DERC has fixed RoE as 10% which is much below the RoE fixed as per regulation. NTI such as rebate to consumer, supervision charges, over drawl penalty and DPS should be passed on to consumers in full instead of 1/3 rd proposed by DISCOMs.

**TPWODL Rejoinder:** The Hon'ble Commission at Regulation 3.6.3 (c) of the OERC Tariff Regulation, 2022 has provided as under:

*"3.6.3 Return on equity on the assets put to use under instant Regulations:*

*....*

*c. The tax only to the extent of the tax on return is provided as pass through."*

It is submitted that the Licensee strictly follows the applicable regulations and is well within the ambit of the same. The same is also in line with regulations of other states and well recognized by Hon'ble APTEL.

With regards to fixation of RoE of 10% by DERC, it is submitted that the applicable regulation i.e. DERC (Business Plan) Regulations, 2019 at Regulation 20 provides as under:

*"20. RATE OF RETURN ON EQUITY*

*(1) Wheeling Business: Return on Equity in terms of Regulation 4(1) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 shall be computed at the Base Rate of 14.00% on post tax basis.*

*(2) Retail Business: Return on Equity in terms of Regulation 4(1) of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 shall be computed at an additional Base Rate of 2.00% on post tax basis."*

Accordingly, the said statement is erroneous as RoE fixed by DERC is 16% which is still continuing.

With regards to NTI, the Licensee submits that the Hon'ble Commission while approving the provisional truing up for FY 20-21 (3 months) in ARR for FY 2022-23 has set a principle that Meter rent, Delayed Payment Surcharge and Over drawl penalty are to be excluded from miscellaneous receipt. However, the Licensee has offered 1/3rd of DPS, ODP and supervision charges to be passed on in accordance with the regulation.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Place:

Date:

C.C. Shri Priyabrata Sahu, aged about 48 years, S/o Late Adikanda Sahu, At: Bijaya Bihar, 3rd Lane, PO: Berhampur, Dist: Ganjam, Pin: 760004.

Note- This is also available at the Licensee's website – <https://www.tpwesternodisha.com>

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Regd. No. QN 23/94  
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**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

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**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office – Burla, Sambalpur, Odisha - 768017

**AND**

**In the matter of:** Principal Chief Electrical Engineer, East Coast Railway, Rail Sadan,  
Chandrasekharapur, Bhubaneswar, Odisha - 751017

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

Point wise reply for the objection raised by objector are appended below: -

- 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.

**TPWODL Rejoinder:** It may be perused from the below table that, the tariff for railway in other adjacent states vs railway tariff in state of Odisha. The tariff applicable to railway herein Odisha is much competitive.

	States	Demand Charges	Energy Charges	
1	Chhattisgarh	Rs.375 /-per kVA per month	Rs.4.55 per kVAh	
2	Andhra Pradesh	Rs.350/-per kVA per month	Rs.5.50 per kVAh	
3	Jharkhand	Rs.350/-per kVA per month	Rs.5.25 per kVAh	
4	Madhya Pradesh*	Rs.310/-per kVA per month	Rs. 5.90 per kWh	
*Guaranteed minimum annual consumption of 1500 unit(in kWh) per kVA of Contract demand.				
5	Maharashtra	Rs.454/-per kVA per month	Rs.6.86 per kVAh	
6	Bihar	Rs.280/per kVA per month	Rs.6.70 per kVAh	
7	Odisha	Rs.250/-per kVA per month	HT(kVAh)	EHT(kVAh)
		(Upto 60% L.F)	5.85	5.80
		(> 60% L.F)	4.75	4.70

So, request of Railway for reduction of railway tariff as compared to other HT & EHT category will affect the revenue of the utility. Railway is also being separately categorized

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under HT & EHT as "Railway Traction", there is no such requirement of creation of another specialized category.

2. **Respondent's view/objection:** Hon'ble OERC is requested to reduce the existing demand and energy charges and to consider Railway traction tariff at par with that of organizations having >60% load factor.

**TPWODL Rejoinder:** Railway has made a forceful representation to reduce the demand cost as well as energy charges considering their nature of load. It is a fact that railway is availing power supply in two phase and other industries in three phase. Industries drawing in three phase obviously can use more efficiently. Railway, because of its nature of load and consumption cannot run in higher load factor. Therefore, if railway tariff would be isolated from other category it needs to be fixed in higher tariff instead of lower because of non-efficient use.

Railway Traction is treated at par with other EHT Consumers. Nowhere in the country, a special lower tariff is fixed for Railways. As a matter of fact, Railway Traction tariff in Odisha is much less than most of the other states as depicted in above table.

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

**TPWODL Rejoinder:** Present rate of charges 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 EHT Category where they are eligible under proposed Load Factor issued. The proposed reduction in L.F discount from 40% will affect the licensee business. The Licensee is mandated to serve different category of consumers where tariff is less than the cost of supply in the existing mechanism. If Railway tariff requires reduction, the tariff of cross-subsidized category needs to be increased. East Coast Railway is a 2 phase consumer & because of its load pattern may not able to achieve the desired load factor.


However, to facilitate railway and to avoid overdrawl penalty on account of inter DISCOM feed extension, the licensee has proposed before Hon'ble Commission to consider the same looked into it.

4. **Respondent's view/objection:** Hon'ble OERC is requested to charge Railway at the unit rate which is actual cost of supply of power to EHT category of consumers.



**TPWODL Rejoinder:** Presently Railway is being charged well within the limits of +/- 20% of the average cost of supply. This is evident from the fact that the Average cost of supply for the state is Rs. 5.87 per unit. As per RST Order FY 22-23, the average revenue realization for the category as a whole is Rs. 5.97 per unit. Hence, the same is equal to 1.72% above the average cost of supply.

For and on behalf of TPWODL


  
GM (RA & Strategy)

Place:

Date:

C.C. Principal Chief Electrical Engineer, East Coast Railway, Rail Sadan,  
Chandrasekharapur, Bhubaneswar, Odisha - 751017

Note- This is also available at the Licensee's website - <https://www.tpwesternodisha.com>

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**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

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**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office – Burla, Sambalpur, Odisha – 768017

**AND**

**In the matter of:** Shri R.P Mahapatra, Retired Chief Engineer & Member (Gen.), erstwhile OSEB,  
Plot No – 775(P), Lane-3, Jayadev Vihar, Bhubaneswar - 751013

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

TPWODL reply for the objection raised by objector are appended below: -

1. **Respondent's view/objection:** That, in contravention of the provisions in the Electricity Act, 2003, no appointment of the Chairperson has been made even though more than 12 (twelve) months have been elapsed in the meantime.

**TPWODL Rejoinder:** The appointment of the Chairperson as per provisions of Electricity Act, 2003 is totally under the prerogative of Hon'ble State Government. Hence, the Licensee is unable to comment on the above objection of the petitioner.

2. **Respondent's view/objection:** The primary intention of the Act and Regulations is to protect the interest of the consumers of electricity. Therefore, the determination of the Tariff through public hearing, is one of the most important functions of the Hon'ble Commission and accordingly all the three members should hear the Tariff Petitions. The provisions in Section 93 of the Electricity Act, 2003 cannot be considered as applicable, when there is inordinate delay in filling up the vacancy of the post of Chairperson without any justification whatsoever. The existing Tariff determined for the FY 2022-23 be continued till determination of Tariff for the FY 2023-24, through public hearing after the appointment of the Chairperson of the Hon'ble Commission.

**TPWODL Rejoinder:** TPWODL would like to bring to the kind notice of the learned objector that determination of tariff to be charged from different categories of consumers is the

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prerogative of the Hon'ble Commission under section 62 & 86 of the Electricity Act, 2003.  
Hence, TPWODL has no comments on the above objection.

For and on behalf of TPWODL



GM (RA & Strategy)

Place:

Date:

C.C. Shri R.P Mahapatra, Retired Chief Engineer & Member (Gen.), erstwhile OSEB, Plot No -  
775(P), Lane-3, Jayadev Vihar, Bhubaneswar - 751013  
Email - [rpmahapatra.consultant@gmail.com](mailto:rpmahapatra.consultant@gmail.com).

Note- This is also available at the Licensee's website - <https://www.tpwesternodisha.com>

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**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751023**

**Case No. 80 of 2022**

**IN THE MATTER OF:** TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

**AND**

**IN THE MATTER OF:** Shri Bijaya Kumar Panda, S/o Shri Baishnaba Panda, Director of M/s. Bajrangbali Sponge & Power Ltd., at Plot No. -82, IDC, Kalunga, Dist.-Sundargarh. Email-aks.kr.sabani@gmail.com, Mob: 9437071622

**Subject:** Rejoinder to objections submitted before Hon'ble Commission against ARR & Retail Supply tariff application of the Licensee for the FY2023-24 which has been registered as case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

- Respondents View/ Objection:** That as per RST Order for 2022-23, meter rent will be collected for a period of 60 months. This order may be withdrawn and order may be passed for collection of meter rent till recovery of landed cost of the meter.

**TPWODL Rejoinder:** Consumer has always an option to install own meter, in such case meter rent is not recoverable.

As stated by the objector that cost of a three- phase tri-vector meter is around Rs. 20,000 which is factually incorrect.

Apart from this, the expenditure towards the meter provided by the licensee includes the cost of associated accessories, finance cost on capital borrowed for purchase of meter, set up of back-end IT infrastructure, installation cost, site visit and periodical meter testing as per OERC supply code 2019. So, the present level of recovery of meter rent to the extent of 60 months is justified as fixed by Hon'ble Commission.

- Respondents View/ Objection:** Withdrawal of kVAh billing

**TPWODL Rejoinder:** That the Hon'ble Commission has introduced kVAh billing in FY-2021-2022 which was supposed to be introduced in FY-2014-2015. Observation of Hon'ble Commission as rendered at Para-202 of the present RST Order is quoted below;

*"The Commission always aim for rationalisation of tariff structure by progressive introduction of a cost-based tariff and has set the Energy Charge at different voltage levels*



to reflect the cost of supply. While determining the Energy Charge, the principle of higher rate for supply at low voltage and gradual reduction in rate as the voltage level goes up has been adopted. The Commission has introduced kVAh tariff for HT and EHT consumers since FY 2021-22. This method of billing for energy charge captures both active and reactive energy consumed by the consumers and the same will continue for FY 2022-23."

Aforesaid observation of Hon'ble Commission would establish the fact that kVAh billing system would give benefit to both the consumer as well as the licensee in maintaining system stability, ensuring power quality and achieving loss reduction.

In this regard it would be prudent to submit that Hon'ble APTEL has dealt with the issue of kVAh billing on several occasions. In Prime Ispat Ltd. and Another vrs Chhattisgarh State Electricity Regulatory Commission and Others (A.No.263 of 2014, decided on 10.04.2015), the issue of kVAh billing was discussed. Relevant observations of Hon'ble Tribunal are quoted here-in-below.

"8.9. Now we explain the advantage of High-Power Factor and kVAh billing as under:

(a) Higher the Power Factor, lower is the Load Current and thereby Technical Losses of the transmission lines i.e.  $I^2R$  losses will be reduced considerably.

(b) Due to increase of Power Factor (nearer to one), the consumer's demand charges will be reduced and also the kVAh billing will also be correspondingly reduced.

(c) The Higher Power Factor will reduce the demand on the system and improve the systems Voltage.

(d) Increases the available transmission and distribution system capacity.

(e) The improvement in Power Factor will reduce the licensee's expenditure on Power Purchase and thereby the consumers will be benefited with lower tariff.

8.10. In view of the above, most of the States are changing their billing system from KWH to kVAh billing system.

8.11. The learned counsel of the Appellant has contended that due to kVAh billing, bill amount has been increased and thereby the Appellant burdened with higher power bill. We do not find any merit in the contention for the following reasons: Because Power Factor =  $KWH / KVAH$

If Power Factor is unity, then  $KWH = KVAH$

In the instant case, the Power Factor is less than unity and hence the consumption recorded in respect of kVAh is high compared to KWH consumption. Further, the power factor surcharge/rebate will not be there in kVAh billing. Thus, the kVAh based billing will drive the consumers to reach unity power factor and thereby the system performance will be improved and also reactive power drawl from the system will be minimised and thereby better system voltages for the tail end consumers also."

Forum of Regulators (FoR) also recommended kVAh billing during 2009. As of now, most of the State Electricity Regulatory Commissions (SERC) in various States viz. Himachal Pradesh, Delhi, Uttar Pradesh, Jammu & Kashmir, Andhra Pradesh, Chhattisgarh, Bihar, Haryana, Punjab, Maharashtra etc. have already introduced kVAh based tariff for various categories.

**Advantages of kVAh billing system: -**

To Consumers	To DISCOM(s)
<p>3. kVAh billing will ensure that the consumers who will utilize the power efficiently will be paying less energy charges as compared to others who are not using the power efficiently.</p> <p>4. The new billing methodology will be much simpler to understand as number of parameters viz. PF, rkVAh (lead/lag), kWh units) will be reduced.</p>	<p>5. Good system stability, improved power quality, improved voltage profile and reduced capital expenditure.</p> <p>6. Complete recovery of cost of active and reactive powers.</p> <p>7. Zero/ minimal drawl of reactive power by consumers.</p> <p>8. Reduction in power purchase cost</p>

3. **Respondents View/ Objection:** Consideration of power on hour on actual basis for load factor in billing

**TPWODL Rejoinder:** TPWODL is following the direction of Hon'ble Commission while calculating power ON hours as per para no. 205 & 206 of RST order FY 2022-23. Any changes or modification in tariff structure is Hon'ble Commission's prerogative, the licensee must adhere the same.

4. **Respondents View/ Objection:** Reduction in Cross Subsidy Surcharges.

**TPWODL Rejoinder:** DISCOMs are serving close to 100 Lakh (appx) of consumers across the state among which around 10 Lakh (appx) are under BPL category, 2.5 lakh (appx) consumer under agriculture category and almost 80 lakhs under Domestic. The tariff of BPL is Rs.80 per month for 30 units, Agriculture tariff is Rs.1.50 per unit and Domestic tariff up to 50 units is Rs.3 per unit which is even less than the present highest BST in the state. They are subsidized through high end consumers.

Simultaneously, to provide cheaper power to the industrial consumers, who are drawing power through open access or from CGP, Hon'ble Commission has introduced different rebates vide RST order FY 22-23, TPWODL has prayed to continue the same and also submitted few more proposals in its ARR application of FY 2023-24. If approved intended industries may get more benefit out of it.

Apart from the above, 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order:

Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:

*"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered."*

and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within +\_ 20% as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

5. **Respondents View/ Objection:** Supply up to 20 MVA through non-dedicated 33kV feeder

**TPWODL Rejoinder:** The concern regarding supply up to 20MVA through non-dedicated 33kV feeder require an amendment in existing OERC Supply Code, 2019 which is under purview of the Hon'ble Commission.

6. **Respondents View/ Objection:** Modification suggested in Steel Industry Rebate by DISCOM should not be approved by Hon'ble Commission

**TPWODL Rejoinder:** The learned objector by mistake mention that, the licensee in its present ARR filing proposed to extend the rebate to the only steel industries who has CGP. Which in fact is opposite, the licensee has proposed to confined this benefit to industries those who are not having their own CGP. In the neighbouring state (Chhattisgarh), CGP industries have been kept out of the purview of the said benefit. The intention of not extending this benefit to CGP industries is due to availability of own generation hence they prefer to keep lower CD with the DISCOMs and achievement of required LF is very easy to avail this benefit.

In its ARR application FY 22-23, the licensee has specifically submitted that the steel industries having NO CGP are eligible for the rebate. Accordingly, the intention of Hon'ble Commission is cleared under the provision of RST Order FY 22-23 vide Annexure – B(vi). Becuase, for the industries having CGP and CD upto 20 MVA with DISCOM are eligible to draw power double their CD without levy of over drawl penalty for which a special rate

of Rs. 4.30 per unit was approved as per Annexure-B(vii). At no instances both the benefits to the steel Industries having CGP can be extended.

**Why is the difference required?**

After getting dual benefit, Industry having CGP will be in more advantageous position to compete & the Industries without CGP will continue to struggle.

More importantly, the Industry having CGP used to keep less CD with the DISCOMS and prefer to use it's own power due to cost effectiveness. So with lesser CD, achieving desired L.F (Load Factor) to avail the rebate is easier. Even though load reduction is not permitted during that Financial Year, CGP's are already with reduced CD.

That means, the industry is insulated with hidden benefit in shape of Demand Charges which would have been the legitimate right of the DISCOMS.

Presently, TPWODL purchase price is Rs. 3.88 per unit (including transmission charges) without factoring technical loss & approved distribution cost of the licensee. Considering all, the average cost of supply would be more than the realizable average price.

This is the reason Chhattisgarh Regulatory Commission has carefully excluded the steel industries having CGP from the discount mechanism. As we have proposed before Hon'ble Commission in similar manner Hon'ble Commission has carefully recorded in the order & brought separate discount mechanism for the Industries having CGP.

7. **Respondents View/ Objection:** Non-disclosure of stipulation for the scheme- CGP industry can draw up to double their CD with flat tariff of @ 4.30 per unit for additional drawal up to CD of 20 MW without levy of any over drawal penalty and exceeding of SMD due to that.

**TPWODL Rejoinder:** In the RST order vide para (vii) of Annexure-B, it was directed that the DISCOM must ensure that for such overdrawal the distribution system is not overloaded and no load shedding is imposed during that period. Accordingly, the recorded Maximum Demand i.e SMD drawn by TPWODL during FY 22-23 till Dec-22 as per BST bill of GRIDCO is as follows:

Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1521	1464	1479	1621	1710	1706	1564	1794	1582
For FY 2022-23 OERC Approved SMD of 1650 MVA & permitted SMD of 1815 MVA.								

From the table it can be observed that, there has not been a single occurrence of exceeding the permitted SMD. During this period, five industries have availed power twice of their CD. So, the licensee is acting as per the scheme well with in its SMD limit, and there is no such instance of non-disclosure of stipulation.

8. **Respondents View/ Objection:** There should not be any time bar for load reduction



**TPWODL Rejoinder:** TPWODL is strictly adhering to the regulation of OERC Supply code,2019 regarding load reduction. Regulation 120 of OERC Supply code,2019 states that:

*"Contract demand above 20 KW shall not be allowed to be reduced more than once within a period of thirty-six months from the date of initial supply or from the date of last reduction. Contract demand of 20 KW and below shall not be allowed to be reduced more than once within a period of twelve months from the date of last reduction. However, the designated authority of the licensee/supplier may for sufficient reasons to be recorded, allow such reduction more than once within the aforesaid period of thirty-six months or twelve months as applicable."*

Suggestion beyond the above guidelines requires amendment of regulation which is out of the purview of the licensee.

9. **Respondents View/ Objection:** If some land is available outside of factory, then there are provisions to take line directly from the generation source to factory without given through grid (For renewable of energy)

**TPWODL Rejoinder:** The objector did not mention the source of the aforesaid provision. Therefore, TPWODL has nothing to comment on the same.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Burla

Dated:

C.C. M/s. Shri Radha Raman Alloys Private Ltd having its Regd Office at T-16 Civil Township, Rourkela, Works- Jharbada, Kutra-770070 Dist Sundargarh, Odisha, Email: srrai08@gmail.com , Mobile: +91-9437102890

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751023**

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**Case No. 80 of 2022**

**IN THE MATTER OF: TP Western Odisha Distribution Limited**

**Corporate Office Burla, Sambalpur, Odisha-768017**

**AND**

**IN THE MATTER OF: Shri Akshya Kumar Sahani, Retd. Electrical Inspector, GoO, B/L-**

**108, VSS Nagar, Bhubaneswar-750007"**

**Subject:** Rejoinder to objections submitted before Hon'ble Commission against ARR & Retail Supply tariff application of the Licensee for the FY2023-24 which has been registered as case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

1. **Respondents View/ Objection:** No remunerative benefit was extended to any of the consumers with clear violation of Regulation-13(1) and Appendix-I of OERC Distribution (Conditions of Supply) Code 2004 and Regulation 29 of OERC Distribution (Conditions of Supply) Code 2019 by TPWODL.

**TPWODL Rejoinder:** - TPWODL is adhering to the guidelines as mentioned in Regulation. Specific observation if any remains unattended may please be intimated.

2. **Respondents View/ Objection:** The consumers less than 110 KVA are not being extended with demand charges as per different tariff orders by TPWODL. Tariff order should be implemented strictly by the Petitioner.

**TPWODL Rejoinder:** - Billing to consumers having less than 110 KVA is strictly observed as per direction of Hon'ble Commission. Specific observation if any remains unattended may please be intimated.

3. **Respondents View/ Objection:** Govt. ED should be paid by TPWODL as per regulation-94(1) of OERC Code 2004 and Regulation 152(i) of OERC Code 2019 respectively. Arrear ED should be Collected first against payment made by the consumer. The Govt. of Odisha Energy Dept. should enforce such Regulations

**TPWODL Rejoinder:** - It is to state that Hon'ble Commission's regulation 2019, para 152 specifically address the manner of Recovery of arrears. The Licensee is adhering the same scrupulously. Specific observation if any remains unattended may please be intimated.

4. **Respondents View/ Objection:** Regarding COVID-19 relief on demand charges of consumers having more than 110 kVA CD.

**TPWODL Rejoinder:** Licensee has extended the relief as per the order of Hon'ble Commission vide letter no. DIR(T)-405/2020/452 dated 22-04-2020 for the month of Apr & May' 2020 during the first wave of COVID 19. Further, it has been more than a year since the pandemic hit, such consumers have already recovered/ recovering the effect. In the current scenario it has no bearing.

5. **Respondents View/ Objection:** That as per RST Order for 2022-23, meter rent will be collected for a period of 60 months. This order may be withdrawn and order may be passed for collection of meter rent till recovery of landed cost of the meter.

**TPWODL Rejoinder:** Consumer has always an option to install own meter, in such case meter rent is not recoverable.

As stated by the objector that cost of a three- phase tri-vector meter is around Rs. 20,000 which is factually incorrect.

Apart from this, the expenditure towards the meter provided by the licensee includes the cost of associated accessories, finance cost on capital borrowed for purchase of meter, set up of back-end IT infrastructure, installation cost, site visit and periodical meter testing as per OERC supply code 2019. So, the present level of recovery of meter rent to the extent of 60 months is justified as fixed by Hon'ble Commission.

6. **Respondents View/ Objection:** That the AT & C loss is directly proportionate of collection efficiency. The Petitioner has not mentioned their collection out of imposition of penalty under Section-126 of the Act 2003 (hereafter Act 2003) and collection against arrear dues.

**TPWODL Rejoinder:** In this regard it is to state that, penalty u/s 126 is not the normal practice to earn revenue. Assessment u/s 126 is being made only when there is theft or unauthorized use of electricity. The licensee has regards to all its consumer and expects the consumer would use the electricity supplied, in judicious manner. Hence, projection towards collection u/s 126 cannot be made.

On other hand, the licensee has also made a disclosure regarding collection out of current and out of arrear in F-9 format.

**7. Respondents View/ Objection: Withdrawal of kVAh billing**

**TPWODL Rejoinder:** That the Hon'ble Commission has introduced kVAh billing in FY-2021-2022 which was supposed to be introduced in FY-2014-2015. Observation of Hon'ble Commission as rendered at Para-202 of the present RST Order is quoted below;

*"The Commission always aim for rationalisation of tariff structure by progressive introduction of a cost-based tariff and has set the Energy Charge at different voltage levels to reflect the cost of supply. While determining the Energy Charge, the principle of higher rate for supply at low voltage and gradual reduction in rate as the voltage level goes up has been adopted. The Commission has introduced kVAh tariff for HT and EHT consumers since FY 2021-22. This method of billing for energy charge captures both active and reactive energy consumed by the consumers and the same will continue for FY 2022-23."*

Aforesaid observation of Hon'ble Commission would establish the fact that kVAh billing system would give benefit to both the consumer as well as the licensee in maintaining system stability, ensuring power quality and achieving loss reduction.

In this regard it would be prudent to submit that Hon'ble APTEL has dealt with the issue of kVAh billing on several occasions. In Prime Ispat Ltd. and Another vrs Chhattisgarh State Electricity Regulatory Commission and Others (A.No.263 of 2014, decided on 10.04.2015), the issue of kVAh billing was discussed. Relevant observations of Hon'ble Tribunal are quoted here-in-below.

*"8.9. Now we explain the advantage of High-Power Factor and kVAh billing as under:*

*(a) Higher the Power Factor, lower is the Load Current and thereby Technical Losses of the transmission lines i.e.  $I^2R$  losses will be reduced considerably.*

*(b) Due to increase of Power Factor (nearer to one), the consumer's demand charges will be reduced and also the kVAh billing will also be correspondingly reduced.*

*(c) The Higher Power Factor will reduce the demand on the system and improve the systems Voltage.*

*(d) Increases the available transmission and distribution system capacity.*

*(e) The improvement in Power Factor will reduce the licensee's expenditure on Power Purchase and thereby the consumers will be benefited with lower tariff.*

*8.10. In view of the above, most of the States are changing their billing system from KWH to kVAh billing system.*

*8.11. The learned counsel of the Appellant has contended that due to kVAh billing, bill amount has been increased and thereby the Appellant burdened with higher power bill. We do not find any merit in the contention for the following reasons: Because Power Factor = KWH /KVAH*



*If Power Factor is unity, then KWH =KVAH*

*In the instant case, the Power Factor is less than unity and hence the consumption recorded in respect of kVAh is high compared to KWH consumption. Further, the power factor surcharge/rebate will not be there in kVAh billing. Thus, the kVAh based billing will drive the consumers to reach unity power factor and thereby the system performance will be improved and also reactive power drawl from the system will be minimised and thereby better system voltages for the tail end consumers also."*

Forum of Regulators (FoR) also recommended kVAh billing during 2009. As of now, most of the State Electricity Regulatory Commissions (SERC) in various States viz. Himachal Pradesh, Delhi, Uttar Pradesh, Jammu & Kashmir, Andhra Pradesh, Chhattisgarh, Bihar, Haryana, Punjab, Maharashtra etc. have already introduced kVAh based tariff for various categories.

**Advantages of kVAh billing system: -**

To Consumers	To DISCOM(s)
5. kVAh billing will ensure that the consumers who will utilize the power efficiently will be paying less energy charges as compared to others who are not using the power efficiently.	9. Good system stability, improved power quality, improved voltage profile and reduced capital expenditure.
6. The new billing methodology will be much simpler to understand as number of parameters viz. PF, rkVAh (lead/lag), kWh units) will be reduced.	10. Complete recovery of cost of active and reactive powers.
	11. Zero/ minimal drawl of reactive power by consumers.
	12. Reduction in power purchase cost

8. **Respondents View/ Objection:** That on MMFC/ Demand Charges for Consumers with Contract Demand < 110 kVA and demand charges for GP> 70 kVA< 110 kVA and HT Industrial (M) supply, it is to state that the DISCOMs are not extending such benefit as per different RST orders. Even though there is provision of recording of kVA demand, it has not been recorded in the bills. So MMFC/ Demand Charges are prepared at the mercy of the DISCOMs.

**TPWODL Rejoinder:** The licensee is adhering the direction of Hon'ble Commission strictly. There is no such manual intervention in DISCOM billing, it is digitalized through FG system & the billing system is designed to capture all the parameters as per RST order of Hon'ble Commission. Specific issue if any may be highlighted.

9. **Respondents View/ Objection:** Consideration of power on hour on actual basis for load factor in billing

**TPWODL Rejoinder:** TPWODL is following the direction of Hon'ble Commission while calculating power ON hours as per para no. 205 & 206 of RST order FY 2022-23. Any

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changes or modification in tariff structure is Hon'ble Commission's prerogative, the licensee must adhere the same.

**10. Respondents View/ Objection:** That the consumers under category of Allied Agricultural Activities and Allied Agro-Industrial Activities are not being extended with benefit as per Regulations and Tariff Orders even though orders passed by GRF and Ombudsman

**TPWODL Rejoinder:** TPWODL is strictly adhering the direction given by Hon'ble Commission & also honouring the direction of GRF & OMBUDMAN scrupulously. However, wherever it appears that it is not in line with the spirit of law DISCOM is challenging before appropriate forum for the interest of the all stakeholders.

**11. Respondents View/ Objection:** Billing w.r.t. to assessment u/s 126

**TPWODL Rejoinder:** The concerned raised by learned objector regarding assessment u/s 126 in line with Hon'ble Supreme Court's decision, it is to state that Hon'ble Commission has already enumerated detailed guideline in the OERC (Condition of Supply) Code 2019 notified on 27<sup>th</sup> August 2019. The relevant para 159 to 170 of chapter-XI of the Regulation has already in place for Assessment for unauthorized use and theft of electricity. TPWODL is duty bound to adhere the same.

**12. Respondents View/ Objection:** Provisional Billing w.r.t. to assessment u/s 135

**TPWODL Rejoinder:** Abstraction of electricity is always a punishable offence. The nature of abstraction is detectable u/s 135 and section 126. If criminal intention/ direct theft of electricity is involved then it comes u/s 135, whereas unauthorized consumption comes u/s 126. But assessment formula is given under section 126. Hence, for both the cases assessment is being made as per the prevailing formula under section 126.

**13. Respondents View/ Objection:** Amendment required in Regulation 138(e) of Supply Code, 2019

**TPWODL Rejoinder:** The list of NACs having more than 20000 population is also provided in the Supply code, 2019 appendix-II. DISCOMS are following Regulation 138(e) of Supply Code. If this benefit will be extended to urban area, in the sake of irrigation proper/judicious purpose would be at stake and may be misused by affluent people residing in urban areas in the pretext of farmhouse. Amendment in regulation is the prerogative of Hon'ble Commission.

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**14. Respondents View/ Objection: Reduction in Cross Subsidy Surcharges.**

**TPWODL Rejoinder:** DISCOMs are serving close to 100 Lakh (appx) of consumers across the state among which around 10 Lakh (appx) are under BPL category, 2.5 lakh (appx) consumer under agriculture category and almost 80 lakhs under Domestic. The tariff of BPL is Rs.80 per month for 30 units, Agriculture tariff is Rs.1.50 per unit and Domestic tariff up to 50 units is Rs.3 per unit which is even less than the present highest BST in the state. They are subsidized through high end consumers.

Simultaneously, to provide cheaper power to the industrial consumers, who are drawing power through open access or from CGP, Hon'ble Commission has introduced different rebates vide RST order FY 22-23, TPWODL has prayed to continue the same and also submitted few more proposals in its ARR application of FY 2023-24. If approved intended industries may get more benefit out of it.

Apart from the above, 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order;

*Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*

*"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered."* and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within  $\pm 20\%$  as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**15. Respondents View/ Objection: Supply up to 20 MVA through non-dedicated 33kV feeder**

**TPWODL Rejoinder:** The concern regarding supply up to 20MVA through non-dedicated 33kV feeder require an amendment in existing OERC Supply Code, 2019 which is under purview of the Hon'ble Commission.

**16. Respondents View/ Objection:** Modification suggested in Steel Industry Rebate by DISCOM should not be approved by Hon'ble Commission

**TPWODL Rejoinder:** The learned objector by mistake mention that, the licensee in its present ARR filling proposed to extend the rebate to the only steel industries who has CGP. Which in fact is opposite, the licensee has proposed to confined this benefit to industries those who are not having their own CGP. In the neighbouring state (Chhattisgarh), CGP Industries have been kept out of the purview of the said benefit. The intention of not extending this benefit to CGP industries is due to availability of own generation hence they prefer to keep lower CD with the DISCOMs and achievement of required LF is very easy to avail this benefit.

In its ARR application FY 22-23, the licensee has specifically submitted that the steel industries having NO CGP are eligible for the rebate. Accordingly, the intention of Hon'ble Commission is cleared under the provision of RST Order FY 22-23 vide Annexure - B(vi). Becuase, for the industries having CGP and CD upto 20 MVA with DISCOM are eligible to draw power double their CD without levy of over drawl penalty for which a special rate of Rs. 4.30 per unit was approved as per Annexure-B(vii). At no instances both the benefits to the steel Industries having CGP can be extended.

**Why is the difference required?**

After getting dual benefit, Industry having CGP will be in more advantageous position to compete & the Industries without CGP will continue to struggle.

More importantly, the Industry having CGP used to keep less CD with the DISCOMS and prefer to use it's own power due to cost effectiveness. So with lesser CD, achieving desired LF (Load Factor) to avail the rebate is easier. Even though load reduction is not permitted during that Financial Year, CGP's are already with reduced CD.

That means, the industry is insulated with hidden benefit in shape of Demand Charges which would have been the legitimate right of the DISCOMS.

Presently, TPWODL purchase price is Rs. 3.88 per unit (including transmission charges) without factoring technical loss & approved distribution cost of the licensee. Considering all, the average cost of supply would be more than the realizable average price.

This is the reason Chhattisgarh Regulatory Commission has carefully excluded the steel industries having CGP from the discount mechanism. As we have proposed before Hon'ble Commission in similar manner Hon'ble Commission has carefully recorded in the order & brought separate discount mechanism for the industries having CGP.



- 17. Respondents View/ Objection:** Non-disclosure of stipulation for the scheme- CGP industry can draw up to double their CD with flat tariff of @ 4.30 per unit for additional drawal up to CD of 20 MW without levy of any over drawal penalty and exceeding of SMD due to that.

**TPWODL Rejoinder:** In the RST order vide para (vii) of Annexure-B, It was directed that the DISCOM must ensure that for such overdrawal the distribution system is not overloaded and no load shedding is imposed during that period. Accordingly, the recorded Maximum Demand i.e SMD drawn by TPWODL during FY 22-23 till Dec-22 as per BST bill of GRIDCO is as follows:

Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1521	1464	1479	1621	1710	1706	1564	1794	1582
For FY 2022-23 OERC Approved SMD of 1650 MVA & permitted SMD of 1815 MVA.								

From the table it can be observed that, there has not been a single occurrence of exceeding the permitted SMD. During this period, five industries have availed power twice of their CD. So, the licensee is acting as per the scheme well within its SMD limit, and there is no such instance of non-disclosure of stipulation.

- 19. Respondents View/ Objection:** Reintroduction of power factor incentive/penalty and kWh billing

**TPWODL Rejoinder:** - As per direction of Hon'ble Commission in RST order of FY22-23 in annexure "B" Point No.ii "Power factor penalty/incentive & Reliability Surcharges are abolished". TPWODL is strictly adhering the direction given by Hon'ble Commission and shall adhere till any changes by the authority.

- 20. Respondents View/ Objection:** There should not be any time bar for load reduction

**TPWODL Rejoinder:** TPWODL is strictly adhering to the regulation of OERC Supply code,2019 regarding load reduction. Regulation 120 of OERC Supply code,2019 states that:

*"Contract demand above 20 KW shall not be allowed to be reduced more than once within a period of thirty-six months from the date of initial supply or from the date of last reduction. Contract demand of 20 KW and below shall not be allowed to be reduced more than once within a period of twelve months from the date of last reduction. However, the designated authority of the licensee/supplier may for sufficient reasons to be recorded, allow such*


*reduction more than once within the aforesaid period of thirty-six months or twelve months as applicable."*

Suggestion beyond the above guidelines requires amendment of regulation which is out of the purview of the licensee.

**21. Respondents View/ Objection:** If some land is available outside of factory, then there are provisions to take line directly from the generation source to factory without given through grid (For renewable of energy)

**TPWODL Rejoinder:** The objector did not mention the source of the aforesaid provision. Therefore, TPWODL has nothing to comment on the same.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Burla

Dated:

C.C. Shri Akshya Kumar Sahani, Retd. Electrical Inspector, S/o. Late Dharma Nanda Sahani GoO, B/L-108, VSS Nagar, Bhubaneswar-750007, Email-aks.kr.sahani@gmail.com, Mob: 9437071622

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

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**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office – Burla, Sambalpur, Odisha – 768017

**AND**

**In the matter of:** Shri Soumya Ranjan Patnaik, MLA, Khandapada, aged about 70 years, S/o Late Brajabandhu Patnaik, Plot No. - 185, VIP Colony, Nayapalli, BBSR-15. (Email – [soumyapatnaik.sambad@gmail.com](mailto:soumyapatnaik.sambad@gmail.com))

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

Point wise reply for the objection raised by objector are appended below: -

1. **Respondent's view/objection:** Direction of Hon'ble Supreme Court of India to SERCs vide Judgment dated 23.11.2022 in Civil Appeal No. 1933 of 2022. SERCs are not determining tariff as per guiding principles.

**TPWODL Rejoinder:** The Hon'ble Commission, being a quasi-judicial body, had notified the had introduced the OERC (Terms & Conditions for determination of Wheeling Tariff & Retail Supply Tariff) Regulations, 2022 on 20.12.2022 superseding the old Regulation of 2014 coming into effect from the date of their publication in the Official Gazette i.e. 23.12.2022 which in turn coincided with the Hon'ble Supreme Court of India's Judgment. It is further submitted that SERCs all over India are guided by the principles laid down u/s 61 of the Electricity Act, 2003. 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.

2. **Respondent's view/objection:** Violation of MYT Principle in the instant proceedings. ARR & expected revenue under Business Plan is not yet approved by the Hon'ble Commission and ARR has been filed in an isolated manner.

**TPWODL Rejoinder:** It is submitted that the Hon'ble Commission had sought public opinion/view on Determination of (Wheeling & Retail supply Tariff) Regulation 2022 through draft consultative paper dated 14.10.2022. However, pending notification of the above said regulation the licensee had relied on existing regulation along with OERC

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(Conduct of Business) Regulation 2004 and in conformity with Section 62 of Electricity Act 2003 & filed its Aggregate Revenue Requirement with Hon'ble Commission for FY 2023-24 on 30.11.2022. In the meantime, the Hon'ble Commission vide its letter No. OERC/RA/TPCODL-33/2020/1380 dated 30.11.2022 to all the DISCOMs had enclosed its Notification No. DIR(T)/405/2023-24/1379 dated 30.11.2022 giving liberty to DISCOMs to file their revised ARR and Tariff application as per New Regulation, 2022 which was contemplated to be brought out by the end of December, 2022. The New Tariff Regulations, 2022 came into effect from 23.12.2022 and accordingly the Licensee filed its revised ARR petition for FY 2023-24 before the Hon'ble Commission on 09.01.2023.

As the said New Tariff Regulations, 2022 came into force only on December, 2022, soon after the Licensee was only able to visualize regarding the submission of Annual Business Plan. The filing of the Business Plan for 5 years Control Period i.e. FY 2023-24 to FY 2027-28 requires data collection, assimilation and understanding of various other parameters which consume a considerable amount of time. Accordingly, the Licensee has requested the Hon'ble Commission to consider the parameters of the revised ARR filed for FY 2023-24 as the parameters for 1st year of the 1st Control Period and requested some time to file the Annual Business Plan for balance 4 years of the 1<sup>st</sup> Control Period.

3. **Respondent's view/objection:** Truing up exercise for FY 22 in Tariff proceedings has not been done by the Licensee.

**TPWODL Rejoinder:** The Licensee had relied on existing regulation along with OERC (Conduct of Business) Regulation 2004 and in conformity with Section 62 of Electricity Act 2003 had filed the Petition for Revised Truing Up of FY 2020-21 (3 months), Truing up of FY 2021-22 along with original ARR for FY 2023-24 on 30.11.2022 before the Hon'ble Commission. In the meantime, the Hon'ble Commission vide its letter No. OERC/RA/TPCODL-33/2020/1380 dated 30.11.2022 had directed the DISCOMs to file the revised ARR for FY 2023-24 within 15 days from the date of the Gazette Notification of the New Tariff. Accordingly, the licensee in accordance to the new Tariff Regulations, 2022 had only filed the revised ARR for FY 2023-24. However, it is apprised that the statement that TPWODL utterly denied to give them the Truing up document is incorrect. With regards to violating the regulations, TPWODL would like to submit that it is well guided and follows the provisions of the Regulations and Codes of the Hon'ble Commission and is well within the ambit of the same.

4. **Respondent's view/objection:** Uncompleted ARR filings being registered by the Hon'ble Commission. Websites operated by respective DISCOMs have not been user friendly.

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**TPWODL Rejoinder:** ARR and Retail Supply Tariff for the FY 2023-24 has been filed by the Licensee before the Hon'ble Commission under Section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms and Conditions for determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 and OERC (Conduct of Business) Regulation 2004.

Under the provisions of the New Tariff Regulations, 2022 the Licensee shall furnish such information as and when required by the Hon'ble Commission to access such calculations for determining the tariff.

The Licensee abides by the directions of the Hon'ble Commission in true letter and spirit.

With regards to the issue of the websites of the DISCOMs, it is humbly submitted that as part of compliance to the Hon'ble Commission's directives, the Licensee has uploaded the details of the ARR immediately as directed by the Commission. The consumers to follow the following steps to view the documents as desired:

[www.tpwesternodisha.com](http://www.tpwesternodisha.com) → Customer Zone → Aggregate Revenue Requirement → Annual Revenue Requirement (ARR) & Open Access Filing 2023-24.

However, TPWODL respects the views of the objector and would try to simplify the same for better accessibility by its consumers.

5. **Respondent's view/objection:** Non truing up of Tariff Orders of erstwhile Utilities/ DISCOMs. Erstwhile 4 utilities have been auctioned by fixing unlawful Reserve price to TPCL. Revenue surplus generated by erstwhile DISCOMs to be passed on to the consumers.

**TPWODL Rejoinder:** The Hon'ble Commission in its Tariff Order dated 24.03.2022 at para 65 has held as under:

*"65. The Commission has carried out Truing up exercise in this order for the period 2020-21 based on the audited accounts. This is the first year of operation after privatization. The Truing up of account helps the Commission to factor in past regulatory surplus or gap in the regulatory account of the year under consideration. This, in turn, helps the Commission to arrive at the ARR of the ensuing year. The Truing up of accounts before FY 2020-21 has no impact on the present ARR for FY 2022-23 of the DISCOMs. This is because any Regulatory surplus or gap for the years prior to FY 2020-21 shall be transferred to the Special Purpose Vehicles (SPVs) which was created to retain the liabilities of erstwhile DISCOMs. It is pertinent to mention that three (3) new DISCOMs (TPCODL, TPWODL, TPSODL) came into existence during FY 2020-21, 4th DISCOMs (TPNODL) took the responsibility in April 1, 2021 and these DISCOMs are free from liabilities of the past barring few as per Section 21 of the Electricity Act."*

TPWODL hopes that the above para of the Hon'ble Commission suffices the matter.

6. **Respondent's view/objection:** Difference in Input Energy (MU) forecasted by the DISCOMs, GRIDCO & OPTCL for FY 2023-24.

**TPWODL Rejoinder:** TPWODL in its revised ARR for FY 2023-24 had estimated the Input energy as under:

Particulars	FY 2021-22	FY 2022-23 (Rev. Est.)	FY 2023-24 (Proposed)
Energy Purchased in MU	9313	12300	12800

The Hon'ble Commission has approved input of 9300 MU for FY 2022-23. Due to approval of various consumer benefited scheme by Hon'ble Commission and coal crisis during FY 2022-23, industries having CGP have drawn power from the Licensee and as a result the actual drawal increased over approved quantum by another 900 MU. Further, through TPA, intermittent surplus power is being sold to industries having CGP with approved special rate of Rs.4.75 per unit (GRIDCO share: Rs.4.26 p/u, OPTCL share: 28 paise /unit and DISCOM share: 21 paise/unit). The Hon'ble Commission has approved the above tariff for sale of intermittent power through bucket filling method vide order dated 23.05.2022 in Case No. 25 of 2022. Similarly, the drawal of HT industries for 1st half of FY 2022-23 is in normal trend, if the drawal of Steel Industries will continue in same pace the HT approved quantum will be achieved. Considering the actual drawal till September 2022 and continuance of special concessional tariff for FY 2023-24 the Licensee has estimated the input energy of 12800 MUs for FY 2023-24 which includes 2000 MU to be sold under TPA. Further taking into account the approved Transmission losses of 3% for wheeling, the Input energy as projected by the Licensee matches those of GRIDCO and OPTCL.

Approved by order.

7. **Respondent's view/objection:** Demand Forecast (in MVA or MW) for Odisha by the Utilities. GRIDCO projects less demand by 325 MVA than projected by DISCOMs.

**TPWODL Rejoinder:** TPWODL had proposed 1850 MVA as SMD for FY 2023-24 considering the average SMD of 1584 MVA of 1st six months of FY 2022-23. The maximum SMD occurred in August 2022 as 1710.270 MVA. The Hon'ble Commission has approved SMD of 1650 MVA for FY 2022-23. The licensee submits that SMD (MVA) projections for a year are estimated based on load mix, consumption patterns and other economic policies, and restricting the SMD of the utility up-to a particular level without considering the proposal as above and imposing penalty thereof for drawal beyond the approved level, shall put the Utility with higher financial burden. Furthermore, GRIDCON has projected higher demand for TPWODL than projected by the DISCOM.

8. **Respondent's view/objection:** Power cut and unreliable power supply during peak summer.

**TPWODL Rejoinder:** It is submitted that TPWODL has initiated nos. of activity for reduction of interruption, break down etc. during last two years. On implementation of the various measures the power supply position has improved. Through continuous patrolling, network augmentation, periodic maintenance etc. number of tripping has been gradually reducing. Since FY 2021-22, TPWODL has attained many achievements such as establishment of 24\*7 & Operational Power System Control Centre (PSCC) and provided mobile applications to all 33/11KV Primary Sub-Station to collect the operational information, Planned Outages monitoring and information pass on to consumers regarding the outages in their area before 48 hrs. every major breakdown and planned outages informed to centralized Call Centre and consumers benefitted through it.

**9. Respondent's view/objection: Loss recovery by DISCOMs.**

**TPWODL Rejoinder:** As per Section 21(a) of the Act, the utility of WESCO was vested in TPWODL from 01.01.2021 only. As per terms of vesting, TPWODL shall be free from any debt, mortgage and similar obligation of WESCO and WESCO utility. As per terms of the RFP, the bidders were required to provide AT&C loss trajectory for first 10 years of operations with the condition that the AT&C loss level in the 3rd and 5th year from takeover shall not be higher than 23% and 19% respectively. As part of the Bid, TPCL provided an AT&C loss reduction trajectory commitment as per the below table:

FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	FY 31
27.56%	25.56%	22.50%	20.50%	18.50%	14.50%	12.50%	11.00%	9.50%	9.08%

**10. Respondent's view/objection: Despite reduction in EHT and LT losses, HT loss is still approved at 8% and passed on to the consumers. HT losses to be reduced to 4%.**

**TPWODL Rejoinder:** The Hon'ble Commission in its Tariff Order has approved the HT loss to the tune of 8% which is justified in the current situation. TPWODL 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.

**11. Respondent's view/objection: Loss levels of the Licensee to be reduced and prudently checked.**

**TPWODL Rejoinder:** It is submitted that for determination of the ARR and consequent tariff, the Hon'ble Commission has already been applying a "normative AT&C loss" and the trajectory for the same is fixed till FY 2030-31 in the vesting order for tariff determination process. Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

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**12. Respondent's view/objection: Misappropriation of Govt. grant investment.**

**TPWODL Rejoinder:** TPWODL submits that as per Segregation Order dated 25.11.2021, unspent grant of Rs. 136.06 Cr. as on 31.12.2020 had been transferred to the licensee. TPWODL is required to maintain bank balance in separate bank accounts and this amount to be used for which the grant is received.

The closing balance of grants as on 30.09.2022 is as under:

S.I No	Project Name	Grants Deposits As on 01.01.22	Received during the Period (1.1.21 to 30.9.22)	Interest Income during 1.1.21 to 30.9.22	Utilisation during 1.1.21 to 30.9.22	Refund during 1.1.21 to 30.9.22	Closing balance as on 30.9.22
		Rs. Cr.	Rs. Cr.	Rs. Cr.	Rs. Cr.	Rs. Cr.	Rs. Cr.
1	SHIFTING OF LINES FROM SCHOOL AND ANGANWADI	18.27	6.00	2.65	0.38		26.55
2	ELEPHANT CORRIDOR	93.35	49.00	13.61	1.54		154.42
3	DESI	1.01	-	0.02	-		1.04
4	SAUBHAGYA	18.02		1.25	0.98		18.29
5	YASS/FOOD DAMAGE	1.06	3.80		0.88	3.68	0.29
6	PEETHA	1.66		0.04	-	-	1.70
7	ELECTRIFICATION OF OFF GRID MODE UNDER BGJY	-	2.12	0.06	-	-	2.18
8	ELECTRIFICATION OF LEFT OUT HH UNDER BGJY	-	17.18	0.46			17.64
9	GOVT -OTHERS	-	1.56	0.01			1.57
10	MP LAD/MLA LAD	0.04	-		0.03		0.01
11	WODC/BGIY	0.48		0.01	0.04		0.44
12	RGGVY/RLATP	2.27		0.07			2.34
13	IEC Activities	-	1.28		1.28		-
	<b>TOTAL</b>	<b>136.16</b>	<b>80.94</b>	<b>18.18</b>	<b>5.14</b>	<b>3.68</b>	<b>226.46</b>

**13. Respondent's view/objection: Increased O&M expenses and the figures of Employee expenses as per ARR and cash flow are different.**

**TPWODL Rejoinder:** As regards to the increase in Employee cost, R&M cost and A&G cost, TPWODL would like to state that as FY 2021-22 was the first year of operation, lots of issues from areas like meter reading, billing, collection, repair and maintenance of network assets, customer service, civil maintenance, hiring of employees, creation of different office set up etc. was the major challenge for the licensee. The ABP was filed in Feb-21 which was being approved in Oct-21, pending decision of the Hon'ble Commission, TPWODL was conservative in engaging the AMC contracts, carrying out competitive bidding process for appointment of circle wise MBC agencies, hiring of employees etc. Hence delay in engaging



different agencies by about 7 months, as a result ended up with shortfall in actual expenses. If the same would have been taken up from the beginning of the financial year, the associated costs would have been much higher.

Now from the current financial year the costs towards above initiatives has already taken up. Accordingly, the estimated expenditure for the current year i.e. FY 2022-23 onwards will obviously be higher and not unnatural than the costs actually incurred in FY 2021-22.

Also, TPWODL in its ARR Petition at Page Nos. 22-36, 37-72 and 72-88 have given detailed justifications for Employee expenses, A&G expenses and R&M expenses respectively.

However, as regards the objection that the employee cost as per Cash Flow Statement is Rs. 489.32 Cr. and that as per ARR it is Rs. 483.68 Cr., TPWODL submits that the difference is on account of employee expenses capitalized of Rs. 5.64 Cr. which is accounted for while computing ARR.

Further, prudent check of the cost as estimated by the licensee shall be made by Hon'ble Commission before approval.

**14. Respondent's view/objection:** Cash Flow Statement (CFS) does not show any short-term loan floated by the Licensee during FY 22. Therefore, interest on working capital may be set aside. Depreciation, RoE due to GRIDCO shall not be allowed and provisions for bad debt should be allowed @ 0.15% of the Sales value of previous years.

**TPWODL Rejoinder:** TPWODL would like to state that as a Distribution Licensee, it abides by the Regulations and Vesting Order of the Hon'ble Commission. It is strictly guided by and follows the appropriate Regulations and is well within the ambit of the same.

Furthermore, determination of tariff is the prerogative of the Hon'ble Commission u/s 61 & 86 of the Electricity Act, 2003.

Regulation 3.10 of the New Tariff Regulations, 2022 provides for interest on the estimated level of working capital for the Wheeling and Retail supply business for the Financial Year to the DISCOM. Furthermore, the variation between the normative interest on working capital recomputed at the time of Truing-up and the actual interest on working capital incurred by the Distribution Licensee, substantiated by documentary evidence, shall be considered as an efficiency gain or efficiency loss, as the case may be, on account of controllable factors.

Accordingly, TPWODL has claimed Interest on working capital on normative basis for FY 22.

**15. Respondent's view/objection:** Hon'ble Commission to adopt the cash basis regulatory accounts instead of Accrual basis accounting.

**TPWODL Rejoinder:** Hon'ble Commission at Regulation 1.2.1 (30) of the New Tariff Regulations, 2022 has held as under:

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"Financial statement" means for each Financial Year, the following statements, namely-

- (i) balance sheet, prepared in accordance with the form contained in Part I of Schedule III to the Companies Act, 2013 as amended from time to time or Part I of Schedule VI to the Companies Act, 1956 as amended from time to time, whichever is applicable;
- (ii) profit and loss account, complying with the requirements contained in Part II of Schedule III to the Companies Act, 2013 or Part II of Schedule VI to the Companies Act, 1956, as amended from time to time, whichever is applicable;
- (iii) cash flow statement, prepared in accordance with the Accounting Standard on Cash Flow Statement (AS-3) of the Institute of Chartered Accountants of India and as per Section 2(40) of the Companies Act 2013;
- (iv) report of the statutory auditors;
- (v) reconciliation statement, duly certified by the statutory auditors, showing the accounting statement under Indian Accounting standard (IND AS) and Generally Accounting Accepted Principles (GAAP) for reconciliation between the total expenses, revenue, assets and liabilities, of the entity as per financial statement and Regulatory format;
- (vi) cost records as reflected in the books of accounts defined in Section 2 (13) of the companies Act 2013 or Section 209(1)(d) of the Companies Act, 1956 along with Cost Audit Reports together with notes thereto, and such other supporting statements and information as the Commission may direct from time to time;

Provided that the revised schedules and forms as stipulated under the Companies Act, 2013 shall be applicable from the date as prescribed therein:

Provided also that in case of any local authority engaged in the business of distribution of electricity, the Accounting Statement shall mean the items, as mentioned above, prepared and maintained in accordance with the relevant Acts or Statutes as applicable to such local authority."

In accordance with the above, the Licensee is maintaining its accounting as per Companies Act, 2013.

#### 16. Respondent's view/objection: Arrear Collection.

**TPWODL Rejoinder:** As per terms of Vesting Order, TPWODL is mandated to collect Rs. 300 Cr. out of past arrears. Accordingly, an amount of Rs. 250 Cr. (till Nov'22) has been collected and remitted to GRIDCO after deducting Incentive and GST thereof.

#### 17. Respondent's view/objection: CAPEX.

**TPWODL Rejoinder:** As per the vesting order of TPWODL the licensee is committed for capital investment of Rs.1663 crs in span of 5 years. In line with the same Hon'ble

Commission has already approved Rs.333 crs for FY 21-22 and Rs.478 crs for FY 22-23. The licensee has projected Rs.516 crs for FY 23-24. The details are appended below:

FY	Upto 31-03-22 (Rs in Cr.)	Upto 31-03-23 (Rs in Cr.)	Upto 31-03-24 (Rs in Cr.)	Upto 31-03-25 (Rs in Cr.)	Upto 31-03-26 (Rs in Cr.)
Committed	306	806	1139	1461	1663
Proposed	462.42	582.18	516.39		
Approved	333.13	477.72			

The licensee places its CAPEX application in prior consultation with all the stakeholders and the investment proposal has been considered only on priority wherever there is requirement for overall improvement. Hon'ble Commission approves the CAPEX amount for each year after considering every aspect and appoints consultants to check the relevancy of the CAPEX application. The licensee is providing the information on CAPEX progress to Hon'ble OERC quarterly interval for better monitoring.

#### 18. Respondent's view/objection: Determination of Tariff.

**TPWODL Rejoinder:** TPWODL would like to submit that determination of tariff is the prerogative of the Hon'ble Commission u/s 62 & 86 of the Electricity Act, 2003 and the Licensee is guided by the same.

For and on behalf of TPWODL

*K. Anurag G. Nanda*

GM (RA & Strategy)

Place:

Date:

C.C. Shri Soumya Ranjan Patnaik, MLA, Khandapada, aged about 70 years, S/o Late Brajabandhu Patnaik, Plot No. - 185, VIP Colony, Nayapalli, BBSR-15.

(Email - [soumyapatnaik.sambad@gmail.com](mailto:soumyapatnaik.sambad@gmail.com)).

Note- This is also available at the Licensee's website - <https://www.tpwesternodisha.com>

PART OF AFFIDAVIT

6/10/2023

NOTARY

Regd. No. ON 23/94  
SAMBALPUR-ORISSA

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

22

**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office – Burla, Sambalpur, Odisha – 768017

**AND**

**In the matter of:** Shri Bidyadhar Mohanty, S/o Basudev Mohanty, At. Chorda, PO Jaipur Road,  
Dist. Jaipur 755019.

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

Point wise reply for the objection raised by objector are appended below: -

- 1. Respondent's view/objection:** Petition filed by the petitioner is hard and exhort on consumers and void the legal sanctions.

**TPWODL Rejoinder:** It is submitted that ARR and Retail Supply Tariff for the FY 2023-24 has been filed by the Licensee before the Hon'ble Commission under Section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms and Conditions for determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 and OERC (Conduct of Business) Regulation 2004. DISCOMs being regulated entities are bound to follow the legal provision and regulations of the Electricity Regulatory Commissions in true letter and spirit.

- 2. Respondent's view/objection:** The present proposed ARR is an exuberant in expenditure in employee cost, R&M cost and A&G expenditure which is double than the previous year approved expenditure. The power outages have been doubled from the yester years. If gap proposed by all DISCOMs is allowed it will increase the cost of unit thereby it will be hard on consumers of Odisha.

**TPWODL Rejoinder:** As regards to the increase in Employee cost, R&M cost and A&G cost, TPWODL would like to state that as FY 2021-22 was the first year of operation, lots of issues from areas like meter reading, billing, collection, repair and maintenance of network assets, customer service, civil maintenance, hiring of employees, creation of different office set up etc. was the major challenge for the licensee. The ABP was filed in Feb-21 which was being approved in Oct-21, pending decision of the Hon'ble Commission, TPWODL was

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conservative in engaging the AMC contracts, carrying out competitive bidding process for appointment of circle wise MBC agencies, hiring of employees etc. Hence delay in engaging different agencies by about 7 months, as a result ended up with shortfall in actual expenses. If the same would have been taken up from the beginning of the financial year, the associated costs would have been much higher.

Now from the current financial year the costs towards above initiatives has already taken up. Accordingly, the estimated expenditure for the current year i.e. FY 2022-23 onwards will obviously be higher and not unnatural than the costs actually incurred in FY 2021-22.

Also, TPWODL in its ARR Petition at Page Nos. 22-36, 37-72 and 72-88 have given detailed justifications for Employee expenses, A&G expenses and R&M expenses respectively.

With regards to power outage, it is submitted that TPWODL has initiated nos. of activity for reduction of interruption, break down etc. during last two years. On implementation of the various measures the power supply position has improved. Through continuous patrolling, network augmentation, periodical preventive maintenance etc. number of tripping has been gradually reducing. Since FY 2021-22, TPWODL has attained many achievements such as establishment of 24\*7 & Operational Power System Control Centre (PSCC) and provided mobile applications to all 33/11KV Primary Sub-Station to collect the operational information, Planned Outages monitoring and information pass on to consumers regarding the outages in their area before 48 hrs. every major breakdown and planned outages informed to centralized Call Centre and consumers benefitted through it.

Further, prudent check of the cost as estimated by the licensee shall be made by Hon'ble Commission before approval.

3. **Respondent's view/objection:** Hon'ble Commission has imposed DPS on Dom & Commercial consumers @1.25%. This provision is used by the company to extract money from the consumer. They are not serving bill to consumer but charging DPS on bills not paid. Further, rebate are not passed on to the consumer when the actual bill is generated. The present rate of interest on fixed deposits is around 6% but the consumer is charged 18% for non-payment of bills is unrealistic.

**TPWODL Rejoinder:** TPWODL would like to submit that the Hon'ble Commission has pleased to enhance the % of digital rebate from 2% to 3% for LT Domestic and GP single phase customers in FY 22-23 apart from other rebate as otherwise available to them. Consumers are moving towards online mode and availing the rebate. To improve the reach to the consumers, the licensee has engaged various service providers for easy payment option to the consumers for payment of Energy Bills through offline/online mode. The purpose of such engagement of the service providers is to accelerate the revenue collection

and to reduce the door-to-door collection by the Company. On introduction of 3% from FY 2022-23 onwards digital receipts have also increased.

Therefore, to avoid the tendency of certain consumers among the consumer categories of Dom & Commercial who are negligent towards bill payment once the due date is over, Hon'ble Commission has introduced Delayed Payment Surcharge mechanism. The licensee never intends that its esteemed customer should pay DPS, rather encourages for payment within due date and avail rebate. Also, charging of DPS is in line with neighboring states and acts as deterrent for non-payment of bills in time. The objector has erred in comparing interest on fixed deposits to delayed payment surcharge which in turn is a penalty for non-payment of bills.

4. **Respondent's view/objection:** DISCOMs are disconnecting the power supply without following the prescribed procedure of disconnection and disconnect supply without proper notice. They are not ensuring/ conforming with reason at the time of disconnection.

**TPWODL Rejoinder:** TPWODL submits that it is strictly guided by and follows the appropriate Codes and Appendix of OERC (Conditions of Supply) Code, 2019 and is well within the ambit of the same.

5. **Respondent's view/objection:** DISCOMs shall give detail financial benefits derived from the CAPEX plan on account of loss reduction and its impact on tariff.

**TPWODL Rejoinder:** It is submitted that TPWODL in its CAPEX plan for FY 2023-24 submitted to the Hon'ble Commission on 22.12.2022 had provided a detailed cost benefit analysis providing annual benefit due to reduction in AT&C losses via increase in billing and collection efficiencies which may lead to tariff reduction in future years.

6. **Respondent's view/objection:** Interest on Security Deposit may be increased as 4.25% is too low and the company is enjoying 6% interest on security deposit. Security deposit may be calculated to the nearest rupee one hundred instead of odd figure for easy transaction and for fair accounts. The consumers may be given three instalment facilities for deposit of security deposit to encourage MSME. Unlike Dom & commercial consumers, other consumers may be provided with suitable digital rebate.

**TPWODL Rejoinder:** Section 47(4) of the Electricity Act 2003 states that "The distribution Utility shall pay interest equivalent to the bank rate or more, as may be specified by the concerned State Commission. The OERC Distribution (Conditions of Supply) Code 2019, Regulation (57) also mandates the payment of interest on consumer security deposit. The licensee has calculated the Interest on security deposit @ 4.25% p.a. based on the existing approval of Hon'ble Commission.

While we appreciate the objectors' concern regarding rounding off to nearest rupee. As regards to provision of allowing instalment on payment of SD, it is available, however on outstanding amount DPS is leviable. It is upto the consumer, whether to avail through payment of DPS or in one go. As regards to extending digital rebate to other category of consumers, prompt payment rebate mechanism is already available and almost all the high-end consumers are availing the benefit and avoiding payment of DPS.

7. **Respondent's view/objection:** There is a plan to install upgraded/ smart meters. Can poor BPL consumer bear the capital cost of meter or rent where their monthly bill is Rs. 80. The cost of meter shall be borne by the supplier and not consumers. Meter rent is required to be reviewed.

**TPWODL Rejoinder:** It is submitted that under regulation 97 (iv) (3) of the OERC Distribution (Conditions of Supply) Code, 2019, the licensee/supplier is permitted to move on gradually towards installation/replacement of prepaid/smart/pre-paid smart meters preferably within three years. MoP, GoI have also issued timelines for replacement of existing meters with smart meters for all consumers.

The Hon'ble Commission had permitted the recovery of Smart meter cost through monthly meter rent. Currently, TPWODL recovers an amount of Rs. 1500/- (Meter Cost - Rs. 1271/- + Rs. 229/- GST) under Mo Bidyut towards installation of Single-Phase meter while providing new connection. TPWODL have started installation of Smart Meter phase wise, beginning with 3 Ph category from July, 2022. The cost of Single-Phase Smart Meter would be around Rs. 4500/- (with GST) including installation needs to be recovered from the consumer. However, as per existing RST order for single phase Smart meter, monthly meter rent is only Rs.60 and licensee are permitted to recover maximum up to 60 months. As a result, entire cost of smart meters including cost of installation is not fully recoverable. Hence, the Licensee has requested the Hon'ble Commission for suitable revision of the monthly meter rent i.e. Rs. 80 from Rs. 60 for Single-Phase Smart Meter.

8. **Respondent's view/objection:** Bill shall be in multi-language both in Odia & English like in other states. Bill shall be small in length. Present single-phase bills are difficult to store as it gets erased in a day or two. Bills are not reflecting MD though those are mandated in regulation. Licensees do not acknowledge the copy of agreement, copy of test report to single phase consumers.

**TPWODL Rejoinder:** While we appreciate the objectors' concern, the licensee also in the process of printing the same in Odia language. The length of the energy bill would be reduced through involvement of technology in coming years. As per provision of OERC (Conditions of Supply) Code, 2019 vide para 147 contents of the energy bill has been

prescribed. All the information as prescribed has been duly incorporated in the billing software and monthly bill of the consumer is accordingly generated, for which the length of the bill is little enlarged. Further, the licensee is adhering the direction of Hon'ble Commission strictly. There is no such manual intervention in DISCOM billing, it is through FG system & the billing system is taking care, basing upon consumer's category. TPWODL strictly follows and is guided by the OERC (Conditions of Supply) Code, 2019. Meters w.r.t single phase consumers are purchased in lot and are pre-tested. The licensee tests such meters before supplying for installation at consumer premises. Even if the consumer wants re-testing of meters, such meters are sent to the accredited labs and proper documentation is being made for such tested meters.

- 9. Respondent's view/objection:** Most area of Odisha is not ensured with mobile network; therefore, offline power supply application shall be entertained in local office. Rural people unnecessarily burden financial to move to urban areas to avail online application.

**TPWODL Rejoinder:** It is submitted that that though there are online application portals for applying for new connection, there are several offline modes also vis-à-vis Jan Seva Kendra, Section offices etc, where a consumer can visit and apply for power supply. Further, the local meter readers, TPWODL representative are helping villagers in many ways such as getting new connection, getting their billing disputes resolved, reporting supply related complaints etc.

- 10. Respondent's view/objection:** There shall be dress code service wise. All designated offices shall display the name/ designation and number of staff with phone number deployed. All designated offices shall have official phone number and official email id. At present some BAs are approaching the consumers for change of meter/ service wire without producing authorization of SDO concerned and without dress code.

**TPWODL Rejoinder:** While we appreciate the concern of the objector, we would like to state that all our employees are provided with ID cards, official email IDs and almost most of our designated offices have official phone number and official email id. For the benefit/help the consumers a Toll Free Number 1912 / 18003456798 has been provided by TPWODL. Similarly, to report bribery/theft related issues of electricity connection, a WhatsApp number 9980558855 has been launched apart from registration facility through web portal i.e, vigilance@tpwesternodisha.com.

- 11. Respondent's view/objection:** Billing with defective meters.

**TPWODL Rejoinder:** With regard to billing with defective meters, the licensee in its ARR has requested the Hon'ble Commission for a practice direction for revision of the provisional



bill in case of defective meter, considering the past corresponding period's actual consumption. That means if meter found defective in Summer, bill shall be revised considering actual consumption of summer only and if it is in winter, past winter period actual meter reading may be taken into consideration. However, basing upon actual consumption during the succeeding six-month period, necessary sundry debit shall be made if the actual consumption in succeeding month is less than the past corresponding period's actual consumption.

**12. Respondent's view/objection: Revision of reconnection charges.**

**TPWODL Rejoinder:** The biggest challenge in the field even after disconnection, consumers are reconnecting power supply through their own means and ways. This is not only affecting business of the licensee, at the same time risk of fatal accident cannot be ruled out. It is not possible to monitor post disconnection by 24 X 7 with the available resources as well as it is not cost effective. Further, reconnection charges are continuing since last 10 years even though BST and RST of DISCOMs have increased no of times.

**13. Respondent's view/objection: Four DISCOMs are providing power supply permissions/ estimates in different formats. Scheduled formats also differs from division to division in one circle. Provision of 1912 customer care phone number disturbs the consumers in holidays and off days and in lunch hours. Most of time employees/ workers are deployed for collection who have no knowledge about tariff/ regulation. Unused poles/ wires are still there in network. Is there any plan to remove the same. No. of disconnection and reconnection data not available to consumer. No. of consumer refunded/ adjusted the excess security deposit amount. No. of consumer final bill of power supply estimates. No. of cost benefit analysis of remunerative norms provided and its consumer contribution.**

**TPWODL Rejoinder:** TPWODL would like to state that as a Distribution Licensee, it abides by the Regulations of the Hon'ble Commission and the specified Supply Code as in force from time to time. It is strictly guided by and follows the appropriate Codes of the OERC (Conditions of Supply) Code, 2019 and is well within the ambit of the same.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Place:

Date:

C.C. Shri Shri Bidyadhar Mohanty, S/o Basudev Mohanty, At. Chorda, PO Jajpur Road, Dist. Jajpur 755019.

Note- This is also available at the Licensee's website - <https://www.tpwesternodisha.com>

PART OF AFFIDAVIT

NOTARY

Regd. No. OH 23/94  
SAMBAIPUR, ORISSA

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751023**

**Case No.80 of 2022**

**IN THE MATTER OF:** TP Western Odisha Distribution Limited  
Corporate Office Burla, Sambalpur, Odisha-768017  
**AND**

**IN THE MATTER OF:** Er. (Dr.) P.K. Pradhan, B-4, Jayadurga Nagar, P.O.- Budheswari Colony,  
Bhubaneswar — 751006

Rejoinder to objections submitted before Hon'ble Commission against ARR & Retail Supply tariff application of the Licensee for the FY2023-24 which has been registered as case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

Point wise reply to the objection raised by objector are appended below: -

- Respondent's view/objection:** Sudden increment of more than 50% in employee cost for FY 2023-24 than the approved employee cost of FY 2022-23

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified. Considering the expenses of existing employees including terminal dues of pensioners/ family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e Rs. 614.97 Cr. for FY 2023-24 may please be approved.

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2. **Respondent's view/objection:** Outsourcing employees for different verticals like metering, billing, collection, 11kV lines & S/S, 33 kV grid, lines and substation maintenance will increase the overhead cost and reduce the efficiency.

**TPWODL Rejoinder:** Outsourcing employees are continuing since long & not introduced by TPWODL. During WESCO tenure, line, grid and S/S maintenance was carried out through short term outsourcing of manpower only on breakdown occurrence. TPWODL has outsourced the overall maintenance job (preventive maintenance, breakdown maintenance, attending no current complaints) of both 33kV & 11 Kv network assets to ensure 24 X 7 uninterrupted quality power to all its consumers.

3. **Respondent's view/objection:** Requested Whether the total no. of newly recruited persons along with deputed personals are within the approval of the Board/Commission. TPWODL to please inform the objector so that it can be deliberated at the time of public hearing.

**TPWODL Rejoinder:** The total no of recruitment including deputed personals is well within the approval of the Board /Hon'ble Commission. Details of the same is appended below:

S. No.	Additional Information (For Total Employee Strength)	Previous Year	Current Year	Ensuing Year
1	No. of employees as on:	2454	2635	3188.00
2	No. of employees added during the year:	389	693	761.00
3	Employees Retd./Expired/Resigned during the year:	208	140	88.00
4	<b>Total Manpower:</b>	<b>2635</b>	<b>3188</b>	<b>3861</b>
5	Avg. no. of employees for the year:	2545	2912	3525
6	No. of MUs sold:	7355.80	10071.00	10482.00
7	No. of employees per MU sold:	0.35	0.29	0.34
8	No. of consumers as on FY:	2207641	2224067	2356761

4. **Respondent's view/objection:** TPWODL speaks a lot on safety in the deliberation in different meetings before the commission. TPWODL may kindly inform whether the maintenance staff and the staff of the Control Room engaged for 33KV grid, 33KV & 11KV line and Sub-Station are having the necessary qualification eligibility as required by the electricity Rules.

**TPWODL Rejoinder:** TPWODL awarded work to various business associates (BA) duly verifying the criteria like electrical license, qualification and expertise of the people who are going to be engaged etc.

TPWODL always conducts safety induction before joining of concerned staffs. Capacity building program, training on cutting edge technologies are often taken by TPWODL

authorities. The details of safety measurements taken by TPWODL is already mentioned in the ARR application for FY 2023-24.

5. **Respondent's view/objection:** The objector proposed introduction of 4 slab tariff for Industrial consumers.

**TPWODL Rejoinder:** The proposed mechanism seems to be complicated, in absence of proper demonstration. However, Hon'ble Commission may take a judicious decision in this regard.

6. **Respondent's view/objection:** Information regarding arrear amount collected and remitted to GRIDCO

**TPWODL Rejoinder:** The licensee is collecting the arrear amount prior to takeover period as per the vesting order commitment and the same is being remitted to GRIDCO following the guideline as per vesting order. A monthly MIS on same is also being sent to GRIDCO.

Regarding, procedure of penalty imposition no such specific query/ objection has been raised. However, TPWODL is strictly adhering the regulations of OERC Distribution (Conditions of Supply) Code, 2019

7. **Respondent's view/objection:** Average Billing procedure, Metering Status and Meter Rent collection

**TPWODL Rejoinder:** TPWODL is abiding the regulations of OERC Distribution (Conditions of Supply) Code, 2019

Regarding metering status P-13 of the ARR filing may please be referred. Monthly meter rent is being collected as per RST order 22-23. Though TPWODL has proposed to abolish the meter rent and allow the same under CAPEX in its present ARR filing.

8. **Respondent's view/objection:** Hon'ble Commission is requested to check the components like A&G expense, R&M expense, Provision of bad & doubtful debt.

**TPWODL Rejoinder:** Hon'ble Commission has always approved every component of the ARR application after prudence check. Hence, it is evident to do the same this year as well.

9. **Respondent's view/objection:** Employee Expense towards employee cultural engagement not to be realised through ARR, premium for Group Health Insurance for pensioners should be borne by TPWODL and that should be realized through ARR

**TPWODL Rejoinder:** Employees are the backbone of any organizations. Organizations those who are employee friendly are performing better in long run. Where employees are satisfied with the organisation their productivity always increases and they will be more loyal to the company. The learned objector welcomed the payment of premium for group health insurance of existing employees and suggested to do the same for the pensioners and requested to realize that through ARR as well, so the expense towards wellness may please be approved also.



**10. Respondent's view/objection:** Consumers having CD of 1 MW and above in HT/EHT category are only eligible for Open Access.

**TPWODL Rejoinder:** As per new Open Access regulation consumers with more than 500 kW CD are also eligible.

**11. Respondent's view/objection:** Loss level of 33kV feeder.

**TPWODL Rejoinder:** Hon'ble Commission has approved the loss level of HT @ 8%

**12. Respondent's view/objection:** No CSS should be applicable on availing RE power through OA

**TPWODL Rejoinder:** As per para 23.5 of RE Policy, 2022, no CSS shall be applicable to industries on harnessing RE power through GRIDCO, which appears to be a different mechanism than prevailing Open Access.

On other hand, MoP, GoI has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows, namely: -*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*

However, Hon'ble Commission may take a judicious decision in this regard.

**13. Respondent's view/objection:** Suggestion on determination of CSS when their consumption increases beyond the forecasted quantum.

**TPWODL Rejoinder:** The suggestion is not compactly structured. The licensee is unable to comment on the same.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Burla

Dated:

C.C. Er. (Dr.) P.K. Pradhan, B-4, Jayadurga Nagar, P.O.- Budheswari Colony,  
Bhubaneswar — 751006

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

**Case No.80 of 2022**

**IN THE MATTER OF:** TP Western Odisha Distribution Limited  
Corporate Office Burla, Sambalpur, Odisha-768017

**AND**

**IN THE MATTER OF:** The Utkal Chamber of Commerce & Industry Ltd. (UCCI), N-6, IRC Village, Nayapalli, Bhubaneswar - 751015. Email: [contactus@utkatchamber.in](mailto:contactus@utkatchamber.in), [pwrtch@gmail.com](mailto:pwrtch@gmail.com), Phone: 9437155337

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

Point wise rejoinder for the objection raised by objector are appended below: -

**Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified. Considering the expenses of existing employees including terminal dues of pensioners/

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family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e Rs. 614.97 Cr. for FY 2023-24 may please be approved.

Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

**Respondents View/ Objection:** The Respondent has provided the summary of R&M expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the R&M expense vide page no. 78 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has provided the summary of A&G expense since FY 2010-11 to FY 23-24 and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification and head wise break up regarding the A&G expense vide para 2.5 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** The Respondent has furnished the summary of depreciation cost for last twelve years and has not provided any comment.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the depreciation cost vide para 2.9 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

**Respondents View/ Objection:** TPWODL has proposed for transmission charge, wheeling charge and cross subsidy on RE power through Open Access. Whereas recently Odisha Govt. has published Odisha Renewable Energy Policy, 2022, there is a provision of reduced charges and no CSS on RE by industries. Hon'ble OERC has been requested to be guided by RE policy, 2022.

**TPWODL Rejoinder:** As per para 23.5 of RE Policy, 2022, no CSS shall be applicable to industries on harnessing RE power through GRIDCO, which appears to be a different mechanism than prevailing Open Access. Further, as per RE policy the benefit is being extended only when it is generated inside the state of Odisha during the policy period.

On other hand, MoP, GoI has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that.

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows, namely: -*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*

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However, Hon'ble Commission may take a judicious decision in this regard,

**Respondents View/ Objection:** The respondent conveys its gratitude towards Hon'ble Commission for extending special rebate to the steel industries and Proposes a change in the allowed rebate:

	CD upto 6 MVA	CD above 6 MVA
For L.F of =>65% to 70%	10% on EC	
For L.F of >70% to 80%	15% on EC	8% on EC
For L.F of >80%	20% on EC	10% on EC

**TPWODL Rejoinder:** TPWODL has submitted the proposal to continue the special rebate with more clarity on applicability of it.

However, the respondent states that to operate at the approved LF rebate is difficult and has proposed a change in LF rebate mechanism as described in the above para.

Hon'ble Commission may take a suitable decision in this regard.

**Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal.

**TPWODL Rejoinder:** The modification suggested by the respondent are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.	An additional discount of 50 p/unit on entire energy charges may be provided for the unit who will start their operation in FY 2022-23.
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 23-24.	The industry has to start with lower load and should be allowed for CD reduction while starting.
Double incentive not to be given	The closed industries availing this revival discount should be eligible for additional discount and load factor incentives as submitted above and other tariff structure related to the operating industries.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s)/other stakeholders. But as per the modifications suggested by the respondent, it appears to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopens with a lower



load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

**Respondent's view/objection:** Tariff for industrial consumers of this state are continuously higher as compared to other consumer category at the same voltage level having lower load factor since many years. Hon'ble Commission should make an effort for rationalization of tariff based on voltage level, load factor, power factor, total consumption from 2023-24.

**TPWODL Rejoinder:** The respondent has claimed that the providing concessional tariff to consumer categories like Bulk supply domestic/ Allied Agro is beyond the scope of Electricity Act and suggested that subsidy if any should be directly given by the Govt. of Odisha in spite of Hon'ble OERC through tariff structure.

In this context it is to submit that, Govt of Odisha has taken a stand and instead of proding tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

**Respondent's view/objection:** Hon'ble commission is requested to re-introduce the 3-slab based graded incentive tariff in the FY 2023-24

**TPWODL Rejoinder:** The 3-slab based graded incentive tariff mechanism is not actually beneficial indeed even it complicates the billing mechanism. Further, in 3 slab mechanism the difference in slab tariff was negligible, but in two slab the difference is more than one rupee which is almost a reduction of 19%. Therefore, the earlier 3 slab tariff structure has been consciously withdrawn by Hon'ble Commission to extend more benefit to consumers.

**Respondent's view/objection:** Due to growth in HT/EHT sales, it is expected that there will lots of surplus revenue on the account of TPWODL and hence Hon'ble Commission is requested to reduce industrial tariff.

**TPWODL Rejoinder:** Growth in HT & EHT also contributes towards increase in drawl form GRIDCO who is the 'State Designated Authority' to procure power for all four DISCOMS of Odisha. Presently, due to marginal source of purchase, the cost of procurement also goes

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up. Accordingly, the expected surplus would be towards meeting costly power. With increase trend in cost of supply, it is a challenge before Hon'ble Commission to provide stable tariff in Odisha.

**Respondent's view/objection:** Hon'ble commission is requested to approve CAPEX considering the likely interest burden on consumer, tariff shocks and effective checking of actual implementation of CAPEX. The third-party audit of CAPEX should be independently carried out and Hon'ble OERC may pass appropriate order on the same.

**TPWODL Rejoinder:** As per the vesting order of TPWODL the licensee is committed for capital investment of Rs.1663 crs in span of 5 years. In line with the same Hon'ble Commission has already approved Rs.333 crs for FY 21-22 and Rs.478 crs for FY 22-23. The licensee has projected Rs.516 crs for FY 23-24. The details are appended below:

FY	Upto 31-03-22 (Rs in Cr.)	Upto 31-03-23 (Rs in Cr.)	Upto 31-03-24 (Rs in Cr.)	Upto 31-03-25 (Rs in Cr.)	Upto 31-03-26 (Rs in Cr.)
Committed	306	806	1139	1461	1663
Proposed	462.42	582.18	516.39		
Approved	333.13	477.72			

The licensee places its CAPEX application in prior consultation with all the stakeholders and the investment proposal has been considered only on priority wherever there is requirement for overall improvement. Hon'ble Commission approves the CAPEX amount for each year after considering every aspect and appoints consultants to check the relevancy of the CAPEX application. The licensee is providing the information on CAPEX progress to Hon'ble OERC quarterly interval for better monitoring.

**Respondent's view/objection:** The respondent has submitted that the Distribution Loss & AT & C loss should be approved at a lower level

**TPWODL Rejoinder:** As per vesting order and new tariff regulation, 2022, for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT&C loss" and the trajectory for the same is fixed till FY 2030-31

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

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Hence, it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
- Strengthening of Energy audit for all 33kV,11kV & DTR up to 250kVA. Identification of loss pocket and action to be taken for loss reduction.

There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

**Respondent's view/objection: Projection of EHT, HT & LT sales**

**TPWODL Rejoinder:** The licensee has already submitted its sales projection in details vide para 2.2 of ARR application. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2021-22 along with 1st six month of current year sales projection for the ensuing year has been made. The sale projection under EHT category includes the projection of sale under TPA. The intermittent power has been sold with regulatory approval and will be done in ensuing year if approved. Further, concessional scheme with flat rate of Rs.4.30 per unit for drawl beyond 80% of CD (Industries having CGP can draw up to double the CD, those who are having CD up to 20 MW) also helped in increase in consumption. Considering all these facts the EHT sale projection for ensuing year has been made.

As regards to LT sales, the reason for taking higher projection due to improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and installing new meters against defective meter, smart meter installation to all three phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filing.

**Respondent's view/objection: Cross subsidy and its surcharge**

**TPWODL Rejoinder:** 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order:

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Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:

"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered." and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within  $\pm 20\%$  as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Burla

Dated:

C.C. Shri Bibhu Charan Swain, S/o. Shri Baishnab Charan swain, Chairman, Electricity Power Committee, The Utkal Chamber of Commerce & Industry Ltd. (UCCI), N-6, IRC Village, Nayapalli, Bhubaneswar - 751015. Email: [contactus@utkalchamber.in](mailto:contactus@utkalchamber.in), [pwrtech@gmail.com](mailto:pwrtech@gmail.com), Phone: 9437155337

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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NOTARY

Regd. No. ON 73/94  
SAMBAI PUSHPUR



**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

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**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office – Burla, Sambalpur, Odisha – 768017

**AND**

**In the matter of:** M/s. Greengold Bamboo Foundation, represented through the Deputy Managing Trustee, Sri Vishwanath Shahdeo, aged about 44 years, S/o- K.V. Deo, At-Dewasaheb Para, P.O/P.S- Bhawanipatna, District - Kalahandi, Pin-766001

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

TPWODL reply for the objection raised by objector are appended below: -

1. **Respondent's view/objection:** Hon'ble OERC may kindly consider to give the status of agricultural entity to the bamboo processing units/ clusters and charge them with the concessional tariff as well as minimum charges, which the Agro-processing units are entitled to and direct Licensee to provide revised demand notice within stipulated time.

**TPWODL Rejoinder:** The representation made by the learned objector appears to be dispute in consumer category classification.

The respondent is a consumer of the licensee falling under KEED Division where contract Demand is 70kW in 3-phase. As per OERC Conditions of Supply Code, 2019 under Chapter VIII -Classification of consumer, the agriculture consumers has been categorized as under:

**(f) Allied Agricultural Activities**

*This category relates to supply of power for Aquaculture (which includes Pisciculture/ Prawn culture), Horticulture, Floriculture, Sericulture, Animal Husbandry and Poultry in areas other than areas coming under Municipality / NAC limit of the State. Activities such as ice factories, chilling plants, cold storages, cattle/poultry/fish feed units and food /agri products processing units are excluded. In case a feed unit is attached to a poultry firm/aqua culture farm/cattle rearing farm and has a connected load of less than 20% of the connected load of the whole farm then the tariff of the power consumed by such farm shall be treated under this category. If the connected load in the attached feed unit exceeds 20% of the total connected load then the entire consumption of the farm and feed processing unit taken together shall be charged with the tariff as applicable for General*

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*Purpose or the Industrial purpose as the case may be.*

***(g) Allied Agro-industrial Activities***

*This category relates to supply of power to Cold Storages (i.e. a temperature controlled storage where flowers, fruits, vegetables, meat and fish can be kept fresh or frozen until it is needed) and includes chilling plant for milk and only the cold storages attached to processing units for meat, fish, prawns, flowers, fruits and vegetables.*

***"Activities such as ice factories, chilling plants, cold storages, cattle/poultry/fish feed units and food/agri products processing units are excluded."***

It is clearly mentioned in the supply code that agri products processing units are excluded to be categorized under Allied Agricultural activities. Hence, the contention of the consumer to change the tariff from commercial to agriculture is not correct and the consumer is being billed under appropriate category judiciously by the licensee.

For and on behalf of TPWODL



GM (RA & Strategy)

Place:

Date:

C.C. M/s. Greengold Bamboo Foundation, represented through the Deputy Managing Trustee, Sri Vishwanath Shahdeo , aged about 44 years, S/o- K.V. Deo, At-Dewasaheb Para, P.O/P.S- Bhawanipatna, District –Kalahandi, Pin-766001

Note- This is also available at the Licensee's website - <https://www.tpwesternodisha.com>

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**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

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**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office - Burla, Sambalpur, Odisha - 768017

**AND**

**In the matter of:** Shri Panchanana Jena, working president of Bijuli Karmachari Sangh, Berhampur, S/o Late Bairangi Jena, Sakti Nagar 3<sup>rd</sup> lane, Engineering School Road, Dist.: Berhampur-760010. (Email - [jena.manoranjan1@gmail.com](mailto:jena.manoranjan1@gmail.com)), Mob No: 9437210353

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

That, the licensee appreciates the learned objector for the supports and constructive suggestions made through this reply.

Point wise reply for the objection raised by objector are appended below: -

**Respondent's view/objection:** All the DISCOMS are requested to provide following data for public Knowledge:

- No. of people recruited from date of vesting
- Executive, Non-Executive workers
- Odia speaking in both the level

**TPWODL Rejoinder:** The information desired by the objector has already been provided through ARR application FY 23-24.

Before taken over, Erstwhile WESCO has on its rolls, 2,388 (Two thousand three hundred and eighty-eight) number of regular employees. TPWODL has added 514 nos till march-22 and during current year estimated to be added another 693 nos. For the ensuing year the company has projected for 761 nos . Considering retirement, resignation, separation/death etc the no estimated no to be as on March-24 is 3861. The details are provided in form F-12(C) of ARR filing. The company has given preference to Odia speaking people while hiring and as on date we are having 88% of employees who are from Odisha.

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**Respondent's view/objection:** Monthly salary of each employee of the DISCOMS

**TPWODL Rejoinder:** The figure mentioned by the learned objector as Rs.2,33,853 per employee per month for TPWODL appears to be incorrect. The licensee has projected Rs.122.39 crs for FY 23-24 against 1937 CTC employees. So, the monthly average salary is around Rs.52 ,645. The prudence of estimation by licensee is under purview of Hon'ble Commission and Hon'ble Commission will approve after proper verification.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Place:

Date:

C.C. Shri Panchanana Jena, working president of Bijuli Karmachari Sangh, Berhampur, S/o Late Bairangi Jena, Sakti Nagar 3<sup>rd</sup> lane, Engineering School Road, Dist: Berhampur-760010. (Email - [jena.manoranjana1@gmail.com](mailto:jena.manoranjana1@gmail.com)), Mob No: 9437210353

Note- This is also available at the Licensee's website - <https://www.tpwesternodisha.com>

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**BEFORE THE HON'BLE**  
**ODISHA ELECTRICITY REGULATORY COMMISSION**  
**BIDYUT NIYAMAK BHAWAN**  
**PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,**  
**BHUBANESWAR-751021**

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**Case No. 80 of 2022**

**In the matter of: TP Western Odisha Distribution Limited**  
Corporate Office - Burla, Sambalpur, Odisha - 768017

**AND**

**In the matter of: Shri Umakanta Mohapatra, S/o Late Prabodh Chandra Mohapatra, At./Po. Sunhat, P.S. Town, Dist. Balasore, State- Odisha, 756002.**

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

Point wise reply for the objection raised by objector are appended below: -

- 1. Respondent's view/objection:** Petition filed by the petitioner is hard and exhort on consumers and void the legal sanctions.

**TPWODL Rejoinder:** It is submitted that ARR and Retail Supply Tariff for the FY 2023-24 has been filed by the Licensee before the Hon'ble Commission under Section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms and Conditions for determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 and OERC (Conduct of Business) Regulation 2004. DISCOMs being regulated entities are bound to follow the legal provision and regulations of the Electricity Regulatory Commissions in true letter and spirit.

- 2. Respondent's view/objection:** The present proposed ARR is an exuberant in expenditure in employee cost, R&M cost and A&G expenditure which is double than the previous year approved expenditure. The power outages have been doubled from the yester years. If gap proposed by all DISCOMs is allowed it will increase the cost of unit thereby it will be hard on consumers of Odisha.

**TPWODL Rejoinder:** As regards to the increase in Employee cost, R&M cost and A&G cost, TPWODL would like to state that as FY 2021-22 was the first year of operation, lots of issues from areas like meter reading, billing, collection, repair and maintenance of network assets, customer service, civil maintenance, hiring of employees, creation of different office set up etc. was the major challenge for the licensee. The ABP was filed in Feb-21 which was being approved in Oct-21, pending decision of the Hon'ble Commission, TPWODL was

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conservative in engaging the AMC contracts, carrying out competitive bidding process for appointment of circle wise MBC agencies, hiring of employees etc. Hence delay in engaging different agencies by about 7 months, as a result ended up with shortfall in actual expenses. If the same would have been taken up from the beginning of the financial year, the associated costs would have been much higher.

Now from the current financial year the costs towards above initiatives has already taken up. Accordingly, the estimated expenditure for the current year i.e. FY 2022-23 onwards will obviously be higher and not unnatural than the costs actually incurred in FY 2021-22.

Also, TPWODL in its ARR Petition at Page Nos. 22-36, 37-72 and 72-88 have given detailed justifications for Employee expenses, A&G expenses and R&M expenses respectively.

With regards to power outage, it is submitted that TPWODL has initiated nos. of activity for reduction of interruption, break down etc. during last two years. On implementation of the various measures the power supply position has improved. Through continuous patrolling, network augmentation, periodical preventive maintenance etc. number of tripping has been gradually reducing. Since FY 2021-22, TPWODL has attained many achievements such as establishment of 24\*7 & Operational Power System Control Centre (PSCC) and provided mobile applications to all 33/11KV Primary Sub-Station to collect the operational information, Planned Outages monitoring and information pass on to consumers regarding the outages in their area before 48 hrs. every major breakdown and planned outages informed to centralized Call Centre and consumers benefitted through it.

Further, prudent check of the cost as estimated by the licensee shall be made by Hon'ble Commission before approval.

3. **Respondent's view/objection:** Hon'ble Commission has imposed DPS on Dom & Commercial consumers @1.25%. This provision is used by the company to extract money from the consumer. They are not serving bill to consumer but charging DPS on bills not paid. Further, rebate are not passed on to the consumer when the actual bill is generated. The present rate of interest on fixed deposits is around 6% but the consumer is charged 18% for non-payment of bills is unrealistic.

**TPWODL Rejoinder:** TPWODL would like to submit that the Hon'ble Commission has pleased to enhance the % of digital rebate from 2% to 3% for LT Domestic and GP single phase customers in FY 22-23 apart from other rebate as otherwise available to them. Consumers are moving towards online mode and availing the rebate. To improve the reach to the consumers, the licensee has engaged various service providers for easy payment option to the consumers for payment of Energy Bills through offline/online mode. The purpose of such engagement of the service providers is to accelerate the revenue collection

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and to reduce the door-to-door collection by the Company. On introduction of 3% from FY 2022-23 onwards digital receipts have also increased.

Therefore, to avoid the tendency of certain consumers among the consumer categories of Dom & Commercial who are negligent towards bill payment once the due date is over, Hon'ble Commission has introduced Delayed Payment Surcharge mechanism. The licensee never intends that its esteemed customer should pay DPS, rather encourages for payment within due date and avail rebate. Also, charging of DPS is in line with neighboring states and acts as deterrent for non-payment of bills in time. The objector has erred in comparing interest on fixed deposits to delayed payment surcharge which in turn is a penalty for non-payment of bills.

4. **Respondent's view/objection:** DISCOMs are disconnecting the power supply without following the prescribed procedure of disconnection and disconnect supply without proper notice. They are not ensuring/ conforming with reason at the time of disconnection.

**TPWODL Rejoinder:** TPWODL submits that it is strictly guided by and follows the appropriate Codes and Appendix of OERC (Conditions of Supply) Code, 2019 and is well within the ambit of the same.

5. **Respondent's view/objection:** DISCOMs shall give detail financial benefits derived from the CAPEX plan on account of loss reduction and its impact on tariff.

**TPWODL Rejoinder:** It is submitted that TPWODL in its CAPEX plan for FY 2023-24 submitted to the Hon'ble Commission on 22.12.2022 had provided a detailed cost benefit analysis providing annual benefit due to reduction in AT&C losses via increase in billing and collection efficiencies which may lead to tariff reduction in future years.

6. **Respondent's view/objection:** Interest on Security Deposit may be increased as 4.25% is too low and the company is enjoying 6% interest on security deposit. Security deposit may be calculated to the nearest rupee one hundred instead of odd figure for easy transaction and for fair accounts. The consumers may be given three instalment facilities for deposit of security deposit to encourage MSME. Unlike Dom & commercial consumers, other consumers may be provided with suitable digital rebate.

**TPWODL Rejoinder:** Section 47(4) of the Electricity Act 2003 states that "The distribution Utility shall pay interest equivalent to the bank rate or more, as may be specified by the concerned State Commission. The OERC Distribution (Conditions of Supply) Code 2019, Regulation (57) also mandates the payment of interest on consumer security deposit. The licensee has calculated the interest on security deposit @ 4.25% p.a. based on the existing approval of Hon'ble Commission.

While we appreciate the objectors' concern regarding rounding off to nearest rupee. As regards to provision of allowing instalment on payment of SD, it is available, however on outstanding amount DPS is leviable. It is upto the consumer, whether to avail through payment of DPS or in one go. As regards to extending digital rebate to other category of consumers, prompt payment rebate mechanism is already available and almost all the high-end consumers are availing the benefit and avoiding payment of DPS.

7. **Respondent's view/objection:** There is a plan to install upgraded/ smart meters. Can poor BPL consumer bear the capital cost of meter or rent where their monthly bill is Rs. 80. The cost of meter shall be borne by the supplier and not consumers. Meter rent is required to be reviewed.

**TPWODL Rejoinder:** It is submitted that under regulation 97 (iv) (3) of the OERC Distribution (Conditions of Supply) Code, 2019, the licensee/supplier is permitted to move on gradually towards installation/replacement of prepaid/smart/pre-paid smart meters preferably within three years. MoP, GoI have also issued timelines for replacement of existing meters with smart meters for all consumers.

The Hon'ble Commission had permitted the recovery of Smart meter cost through monthly meter rent. Currently, TPWODL recovers an amount of Rs. 1500/- (Meter Cost - Rs. 1271/- + Rs. 229/- GST) under Mo Bldyut towards installation of Single-Phase meter while providing new connection. TPWODL have started installation of Smart Meter phase wise, beginning with 3 Ph category from July, 2022. The cost of Single-Phase Smart Meter would be around Rs. 4500/- (with GST) including installation needs to be recovered from the consumer. However, as per existing RST order for single phase Smart meter, monthly meter rent is only Rs.60 and licensee are permitted to recover maximum up to 60 months. As a result, entire cost of smart meters including cost of installation is not fully recoverable. Hence, the Licensee has requested the Hon'ble Commission for suitable revision of the monthly meter rent i.e. Rs. 80 from Rs. 60 for Single-Phase Smart Meter.

8. **Respondent's view/objection:** Bill shall be in multi-language both in Odia & English like in other states. Bill shall be small in length. Present single-phase bills are difficult to store as it gets erased in a day or two. Bills are not reflecting MD though those are mandated in regulation. Licensees do not acknowledge the copy of agreement, copy of test report to single phase consumers.

**TPWODL Rejoinder:** While we appreciate the objectors' concern, the licensee also in the process of printing the same in Odia language. The length of the energy bill would be reduced through involvement of technology in coming years. As per provision of OERC (Conditions of Supply) Code, 2019 vide para 147 contents of the energy bill has been



prescribed. All the information as prescribed has been duly incorporated in the billing software and monthly bill of the consumer is accordingly generated, for which the length of the bill is little enlarged. Further, the licensee is adhering the direction of Hon'ble Commission strictly. There is no such manual intervention in DISCOM billing, it is through FG system & the billing system is taking care, basing upon consumer's category. TPWODL strictly follows and is guided by the OERC (Conditions of Supply) Code, 2019. Meters w.r.t single phase consumers are purchased in lot and are pre-tested. The licensee tests such meters before supplying for installation at consumer premises. Even if the consumer wants re-testing of meters, such meters are sent to the accredited labs and proper documentation is being made for such tested meters.

- 9. Respondent's view/objection:** Most area of Odisha is not ensured with mobile network; therefore, offline power supply application shall be entertained in local office. Rural people unnecessarily burden financial to move to urban areas to avail online application.

**TPWODL Rejoinder:** It is submitted that that though there are online application portals for applying for new connection, there are several offline modes also vis-à-vis Jan Seva Kendra, Section offices etc. where a consumer can visit and apply for power supply. Further, the local meter readers, TPWODL representative are helping villagers in many ways such as getting new connection, getting their billing disputes resolved, reporting supply related complaints etc.

- 10. Respondent's view/objection:** There shall be dress code service wise. All designated offices shall display the name/ designation and number of staff with phone number deployed. All designated offices shall have official phone number and official email id. At present some BAs are approaching the consumers for change of meter/ service wire without producing authorization of SDO concerned and without dress code.

**TPWODL Rejoinder:** While we appreciate the concern of the objector, we would like to state that all our employees are provided with ID cards, official email IDs and almost most of our designated offices have official phone number and official email id. For the benefit/help the consumers a Toll Free Number 1912 / 18003456798 has been provided by TPWODL. Similarly, to report bribery/theft related issues of electricity connection, a WhatsApp number 9980558855 has been launched apart from registration facility through web portal i.e, [vigilance@tpwesternodisha.com](mailto:vigilance@tpwesternodisha.com).

- 11. Respondent's view/objection:** Billing with defective meters.

**TPWODL Rejoinder:** With regard to billing with defective meters, the licensee in its ARR has requested the Hon'ble Commission for a practice direction for revision of the provisional

bill in case of defective meter, considering the past corresponding period's actual consumption. That means if meter found defective in Summer, bill shall be revised considering actual consumption of summer only and if it is in winter, past winter period actual meter reading may be taken into consideration. However, basing upon actual consumption during the succeeding six-month period, necessary sundry debit shall be made if the actual consumption in succeeding month is less than the past corresponding period's actual consumption.

**12. Respondent's view/objection: Revision of reconnection charges.**

**TPWODL Rejoinder:** The biggest challenge in the field even after disconnection, consumers are reconnecting power supply through their own means and ways. This is not only affecting business of the licensee, at the same time risk of fatal accident cannot be ruled out. It is not possible to monitor post disconnection by 24 X 7 with the available resources as well as it is not cost effective. Further, reconnection charges are continuing since last 10 years even though BST and RST of DISCOMs have increased no of times.

**13. Respondent's view/objection: Four DISCOMs are providing power supply permissions/ estimates in different formats. Scheduled formats also differs from division to division in one circle. Provision of 1912 customer care phone number disturbs the consumers in holidays and off days and in lunch hours. Most of time employees/ workers are deployed for collection who have no knowledge about tariff/ regulation. Unused poles/ wires are still there in network. Is there any plan to remove the same. No. of disconnection and reconnection data not available to consumer. No. of consumer refunded/ adjusted the excess security deposit amount. No. of consumer final bill of power supply estimates. No. of cost benefit analysis of remunerative norms provided and its consumer contribution.**

**TPWODL Rejoinder:** TPWODL would like to state that as a Distribution Licensee, it abides by the Regulations of the Hon'ble Commission and the specified Supply Code as in force from time to time. It is strictly guided by and follows the appropriate Codes of the OERC (Conditions of Supply) Code, 2019 and is well within the ambit of the same.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Place:

Date:

C.C. Shri Umakanta Mohapatra, S/o Late Prabodh Chandra Mohapatra, At./Po. Sunhat, P.S. Town, Dist. Balasore, State- Odisha, 756002.

**Note-** This is also available at the Licensee's website – <https://www.tpwesternodisha.com>

**BEFORE THE HON'BLE**  
**ODISHA ELECTRICITY REGULATORY COMMISSION**  
**BIDYUT NIYAMAK BHAWAN**  
**PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,**  
**BHUBANESWAR-751021**

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**Case No.80 of 2022**

**IN THE MATTER OF:** TP Western Odisha Distribution Limited  
Corporate Office Burla, Sambalpur, Odisha-768017  
**AND**

**IN THE MATTER OF:** Ms. Shailaza Muduli, D/o Mr. G.C Muduli, Director (Project) of M/s. Grinity Power Tech Pvt. Ltd. having its Regd Office at K-8-82, Kalinga Nagar, Ghatikia, Bhubaneswar-751029, Email: gpwrtech@gmail.com, Mob: +91-6742954256

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2023-24 vide case No. 80 of 2022.

That, first of all, the licensee appreciates the learned objector for the efforts made towards improvement of the distribution sector and consumers of the state of Odisha.

Point wise reply for the objection raised by objector are appended below: -

**Respondents View/ Objection:** The Respondent has provided proposed and approved employee expense data since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the employee expense of TPWODL for FY 23-24 through prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility since last ten years. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive-647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified. Considering the expenses of existing employees including terminal dues of pensioners/ family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e Rs. 614.97 Cr. for FY 2023-24 may please be approved.

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Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

**Respondents View/ Objection:** The Respondent has provided the summary of R&M expense since FY 2010-11 to FY 23-24 and put up/sought following objection/ information:

Objection	Rejoinder
(a) R&M expenses may be allowed as a 4.5% of opening GFA only on assets owned by the distribution company:	The licensee has already explained the reason for considering 5.4% on opening GFA for R&M expense vide page no. 78 of its ARR application.
(b) Plan & budget for periodic maintenance of distribution network including emergency repairs and restoration works under each division:	Please refer form F-13.
(c) TPWODL has not provided break up details of R&M expense in the ARR along with the requirement of AMC:	Already provided detailed justification and break up vide para 2.6 of ARR filing
(e) Project wise details of assets taken into service under the state and central scheme to be eligible for special R&M:	Please refer form no. F-13 and CWIP
(f) TPWODL has not submitted its audited balance sheet:	The licensee has submitted its balance sheet in form no. F-21 and the audited balance sheet has been submitted to Hon'ble Commission as well.
(i)Furnish the list of assets and its capital cost:	Please refer form CWIP
expenditure incurred towards loss reduction & energy audit:	The expense towards loss reduction is covered under CAPEX and energy audit under A&G expense and CAPEX. Both have already been provided in ARR application vide para 3.1.1 & 2.5.1 respectively in ARR application.
Detailed break up of GFA:	Please refer form CWIP and F-21

**Respondents View/ Objection:** The Respondent has provided the summary of A&G expense since FY 2010-11 to FY 23-24 and requested Hon'ble Commission to approve the A&G expense for ensuing year after prudence check.

**TPWODL Rejoinder:** The licensee has already provided detailed justification and head wise break up regarding the A&G expense vide para 2.5 in its ARR application for FY 23-24. Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year as well.

**Respondents View/ Objection:** The Respondent has furnished the summary of depreciation cost for last twelve years and submitted that depreciation should not be allowed



to be recovered on assets created out of Government grants irrespective of whether the corresponding grant is transferred to the distribution licensee or not.

**TPWODL Rejoinder:** The licensee has calculated its depreciation cost on assets transferred under segregation order in straight line method at pre 92 rates and on assets created by the licensee as per new regulation, 2022. As per vesting order para no. 44 a(iii) "No depreciation shall be allowed to be recovered on assets created out of Government grants/capital subsidy/capital contribution from consumers irrespective of whether the corresponding grant is transferred to TPWODL or not."

Accordingly, the licensee has computed depreciation for the ensuing year FY 2023-24 based on depreciation rate applicable for TPWODL created assets as per New Regulations, 2022.

**Respondents View/ Objection:** TPWODL has proposed for transmission charge, wheeling charge and cross subsidy on RE power through Open Access. Whereas recently Odisha Govt. has published Odisha Renewable Energy Policy, 2022, there is a provision of reduced charges and no CSS on RE by industries. Hon'ble OERC has been requested to be guided by RE policy, 2022.

**TPWODL Rejoinder:** As per para 23.5 of RE Policy, 2022, no CSS shall be applicable to industries on harnessing RE power through GRIDCO, which appears to be a different mechanism than prevailing Open Access.

On other hand, MoP, Govt has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows, namely: -*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*

However, Hon'ble Commission may take a judicious decision in this regard.

**Respondents View/ Objection:** Concern regarding lack of promotion of RE based generation by DISCOMs, OREDA and GRIDCO.

**TPWODL Rejoinder:** The licensee has received applications for capacity of total 65 kWp under RTS phase-2 programme the projects are under implementation stage. Apart from that, total 114 no of consumers have availed the net metering facility under TPWODL jurisdiction.

Apart from the above, to promote RE generation inside the state DISCOMs have filed two petitions before Hon'ble Commission for implementation of KUSUM C project, the order has been passed by the Hon'ble OERC. Tendering process for implementing the projects is under process and the licensee is promoting the scheme across entire TPWODL area for wide

circulation and creation of more beneficiaries. Already 500 (appx) farmers have provided their consent.

Similarly, another petition has been filed by one of the public namely Sri Chandra Sekhar Misha (Publisher RE Booster) before OERC for proper and uniform guidelines across Odisha for implementation of Small & Medium RE projects. The matter is registered in case no. 35 of 2022, hearing concluded ordered reserved. On pronouncement of order, this will help in promoting more RE in the state.

**Respondents View/ Objection:** The respondent requested Hon'ble Commission to extend the special L.F rebate approved for steel industries to all iron and steel industries having electric arc furnace.

**TPWODL Rejoinder:** In RST order 2022-23, Hon'ble Commission was kind enough to approve the rebate for all HT consumers (steel plant) having CD of 1MVA and above based on their LF. This load factor rebate structure comes for the induction furnace specially keeping in mind their consumption pattern. Consumption pattern of electric arc furnace is different than induction furnace.

The intention of extending this benefit to Induction Furnace group has been well decided by Hon'ble Commission in the previous year (FY21-22) RST order vide para 381, which is appended below for better clarity.

*"Some objectors representing Mini Steel Plant category of consumers connected at 33 KV voltage level having induction furnaces have approached the Commission to reduce their tariff. They state that the tariff of similar industries in neighbouring States like Chhattisgarh, Jharkhand etc. are comparatively lower than that of Odisha. Thus steel production costs in those States have become low. These industries in neighbouring States procure iron ore, sponge iron, pellets etc. from Odisha and process the same in their induction furnace and supply them again back to Odisha at cheaper rate which makes the product of Odisha unviable in the market. Considering the surplus power situation in the state and drawal of those industries at 33 KV the Commission directs as follows:*

*"All the industrial consumers (Steel Plant) having CD of 1 MW and above and drawing power in 33 KV shall be allowed a rebate of 30 paise per unit (kVAh) for the units consumed in excess of 60% of load factor and up to 70% of load factor and 40 paise per units (kVAh) for the units consumed above 70% load factor upto 80% load factor and 50 paise per units (kVAh) for energy drawn in excess of 80% load factor per month. This shall be in addition to all other rebate the consumer is otherwise eligible."*

However, Hon'ble Commission may take a suitable decision in this regard.

**Respondents View/ Objection:** Fix Demand Charge for HT Medium Category @ Rs. 250/P.M

**TPWODL Rejoinder:** The licensee humbly submits that similarly placed General purpose category with load of >70 Kva & <110 Kva and Specified Public Purpose category are paying demand charges @ Rs.250 per kVA p.m. Whereas this is a discrimination among consumers availing power supply under HT category and also providing scope to become Medium industry to avail such benefit. With such wide GAP between Demand charges, consumers under HT medium category just below 110Kva are always trying to avail demand benefit even though their actual connected load is more than 110Kva and above. To curb such type of disparity in demand charges the licensee again submits before Hon'ble Commission to fix demand charges for HT Medium category of consumers @ Rs.250 per Kva p.m. Previously Hon'ble Commission has also fixed demand charges @ Rs.250 per Kva p.m. for HT category of consumers equivalent with large industry during FY 2012-13.

**Respondent's view/objection:** Proposal of revised reconnection charge with penalty clause should be rejected

**TPWODL Rejoinder:** The licensee has proposed for revision of reconnection charge because the current applicable charge has been in practice for more than 10 years whereas on other hand the RST and BSP has increased few times.

Regarding imposition of penalty, the licensee has mentioned in the ARR application that it has been noticed in the field that even after disconnection, consumers are not reconnecting their power supply formally through the utility, but found reconnected again through their own means and ways. This is kind of an abstraction of electricity, because the licensee has disconnected the line due to some substantial reason. Top of that there are chance of fatal incidents as well.

The objector has mentioned technology advancement, introduction of prepaid/post paid smart metering in support of his statement, the licensee is adopting these cutting-edge technology, installation of smart meters is still under process.

**Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal.

**TPWODL Rejoinder:** The modification suggested by the respondent are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.	An additional discount of 50 p/unit on entire energy charges may be provided for the unit who will start their operation in FY 2022-23.
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 23-24.	The industry has to start with lower load and should be allowed for CD reduction while starting.





consultants to check the relevancy of the CAPEX application. Hon'ble OERC is monitoring the CAPEX progress at quarter interval as well.

**Respondent's view/objection:** The respondent has submitted that the Distribution Loss & AT & C loss should be approved at a lower level

**TPWODL Rejoinder:** As per vesting order and new tariff regulation, 2022, for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT&C loss" and the trajectory for the same is fixed till FY 2030-31

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

Hence it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.
- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
- Strengthening of Energy audit for all 33kV,11kV & DTR up to 250kVA. Identification of loss pocket and action to be taken for loss reduction.

There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since takeover, described in the ARR application.

**Respondent's view/objection:** Projection of high EHT, & LT sales

**TPWODL Rejoinder:** The licensee has already submitted its sales projection in details vide para 2.2 of ARR application. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2021-22 along with 1st six month of current year sales projection for the ensuing year has been made. The sale projection under EHT category includes the projection of sale under TPA. The intermittent power has been sold with regulatory approval and will be done in ensuing year if approved. Further, concessional scheme with flat rate of Rs.4.30 per unit for drawl beyond 80% of CD (Industries having CGP can draw up to double the CD, those who are having CD up to 20 MW) also helped in increase

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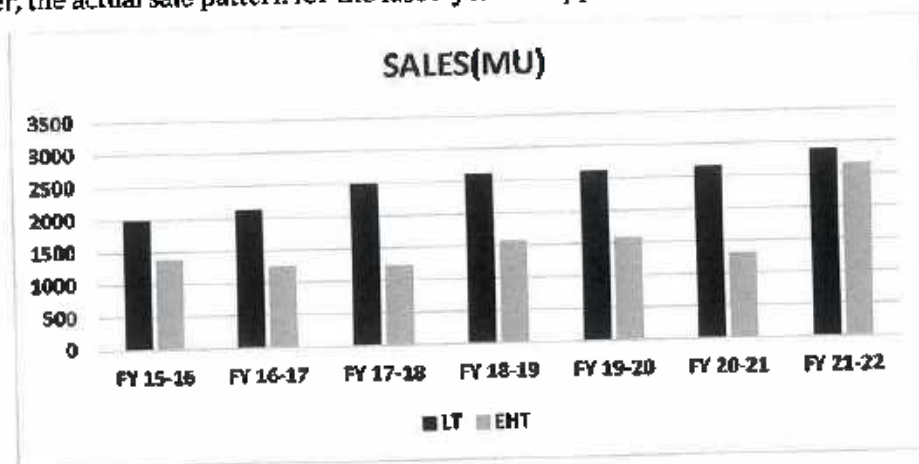
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in consumption. Considering all these facts the EHT sale projection for ensuing year has been made.

As regards to LT sales, the reason for taking higher projection is improved billing/sale of LT category as multiple initiatives has been taken up by the licensee. TPWODL has strived to bring all the consumers into billing fold and conducting defective meter replacement, smart meter installation to single phase consumers. In case of irrigation pumping & agriculture category, it is due to additional load, proper metering of unmetered consumers and implementation of PM KUSUM-C scheme.

As like the instant ARR application for FY 2023-24, the licensee has well justified its sale projection every year in its ARR filing.

However, the actual sale pattern for the last 7 years is appended below in table & chart:



**Respondent's view/objection:** Due to growth in HT/EHT sales, it is expected that there will be lots of surplus revenue on the account of TPWODL and hence Hon'ble Commission is requested to reduce industrial tariff.

**TPWODL Rejoinder:** GRIDCO is the 'State Designated Authority' to procure power for all four DISCOMS of Odisha, whatever power is sold by the licensee is procured/purchased from the Bulk supplier. Therefore, increase of sale shall not result into surplus revenue because the power supplied to consumer has to be purchased at Bulk Supply Tariff. And the Bulk Supply Tariff used to be in an increasing trend.

**Respondent's view/objection: Cross subsidy and its surcharge**

**TPWODL Rejoinder:** 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order: *Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*

*"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and*

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average voltage-wise tariff applicable to such consumers shall be considered." and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within  $\pm 20\%$  as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

**Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which results the profit of GRIDCO. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Burla

Dated:

C.C. Ms. Shailaza Muduli, D/o Mr. G.C Muduli, Director (Project) of M/s. Grinity Power Tech Pvt. Ltd. having its Regd Office at K-8-82, Kalinga Nagar, Ghatikia, Bhubaneswar-751029, Email: gpwrtech@gmail.com, Mob: +91-6742954256

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

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**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office - Burla, Sambalpur, Odisha - 768017

**AND**

**In the matter of:** M/s Romco Aluminates Pvt Ltd (formerly known as Rourkela Minerals Company Pvt Ltd), having its Regd. Office at Village -Bijabahal, PO-Kuarmunda, Dist-Sundargarh, Odisha-770039, Email:k.agarwal@sarvesh.com, Mobile:9974065221

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

TPWODL reply for the objection raised by objector are appended below: -

1. **Respondent's View/Objection:** Employee Expenses to be approved after prudence check.

**TPWODL Rejoinder:** It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos. of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos. of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022. Subsequently, for FY 22-23, Hon'ble Commission has allowed recruitment of total 645 nos. of employees vide letter dated 15.10.2022.

As regards to FY 23-24, the licensee has considered recruitment of 761 nos. (Executive- 647 & Non-Executive- 114) employees. With a continuously increasing consumer base and to maintain the ratio of 1.40 employees/ 1000 consumers, this recruitment plan is justified. Considering the expenses of existing employees including terminal dues of pensioners/ family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e Rs. 614.97 Cr. for FY 2023-24 may please be approved. Hon'ble commission has always approved the components wise ARR of DISCOMS with prudence check and proper justification, so it is evident to do the same this year.

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2. **Respondent's View/Objection:** Repair & Maintenance Expenses to be approved after prudence check.

**TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the R&M expense vide page no. 78 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

3. **Respondent's View/Objection:** Hon'ble Commission may allow only a 7% increase in the earlier approved A&G Expenses for FY 22-23 or actual A&G Expenses or whichever is lower for FY 2023-24

**TPWODL Rejoinder:** The licensee has already provided detailed justification and head wise break up regarding the A&G expense vide para 2.5 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

4. **Respondent's View/Objection:** Depreciation Cost to be approved after prudence check
- TPWODL Rejoinder:** The licensee has already provided detailed justification regarding the depreciation cost vide para 2.9 in its ARR application for FY 23-24 and request Hon'ble Commission to consider the same.

5. **Respondent's View/Objection:** Promotion of RE Generation in state and hence waiver of Wheeling Charges, Transmission Charges & CSS on RE Power to industries

**TPWODL Rejoinder:** : As per para 23.5 of RE Policy, 2022, no CSS shall be applicable to industries on harnessing RE power through GRIDCO, which appears to be a different mechanism than prevailing Open Access. Further, as per RE policy the benefit is being extended only when it is generated inside the state of Odisha during the policy period. On other hand, MoP, GoI has amended its Open Access Green Energy Rules, 2022 vide notification dated 27.01.2023 where in it has been mentioned that.

*"(1) The charges to be levied on Green Energy Open Access consumers shall be as follows, namely: -*

*(a) transmission charges; (b) wheeling charges; (c) cross subsidy Surcharge; (d) standby charges wherever applicable; (e) banking Charge; and (f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the relevant regulations of the Commission."*

However, Hon'ble Commission may take a judicious decision in this regard,

6. **Respondent's View/Objection:** Relief in electricity tariff to Alumina Melting Industry as like of Steel Industries and additional Load Factor incentive to Alumina Industries.

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**TPWODL Rejoinder:** TPWODL has proposed the special scheme for Alumina Melting Point under Section 8.23 of Tariff proposals & Rationalization Measures of ARR Application FY 23-24. Hon'ble Commission may kindly make a prudence check and consider if possible.

7. **Respondent's View/Objection:** Respondent has welcomed the proposal of Special Tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in it's ARR FY 23-24 with few modifications/suggestions in in the proposal.

**TPWODL Rejoinder:** The modifications suggested by the respondent are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 23-24.	The industry has to start with lower load and should be allowed for CD reduction while starting.
The incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.	The additional incentive may be given @ 20% on entire units consumed if achieves 60% L.F. in a month.
Double incentive not to be given.	An additional discount of 50p/unit on entire energy may be provided for the unit who will start their operation in FY 23-24.
Double incentive not to be given.	The closed industries availing this revival discount should be eligible for additional discount and load factor incentives as submitted above and other tariff structure related to the operating industries.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s). But as per the changes suggested by the respondent, the benefits seem to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopen with a lower load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

8. **Respondent's View/Objection:** Industrial Consumers in the state are being charged at a very higher rate as compared to other consumers at the same voltage level having lower Load Factor in all Tariff Years

**TPWODL Rejoinder:** The respondent has claimed that the providing concessional tariff to consumer categories like Bulk supply domestic/ Allied Agro is beyond the scope of Electricity Act and suggested that subsidy if any should be directly given by the Govt. of Odisha in spite of Hon'ble OERC through tariff structure.

In this context it is to submit that, Govt of Odisha has taken a stand and instead of prodng tariff subsidy has created electrical infrastructure towards system augmentation and improvement of reliability, amount has been provided towards creation of separate infrastructure for elephant corridor, School & Anganwadi Kendra, Mega lift points, creation of 33/11 Kv PSS across Odisha under ODSSP etc. which indirectly helps in providing a stable tariff in Odisha. It is under Hon'ble Commission's prerogative to bring any changes in the tariff structure of the state, TPWODL shall follow the same accordingly, if any.

9. **Respondent's View/Objection:** Reintroduction of 3 slabs based graded incentive tariff in the FY 2023-24

**TPWODL Rejoinder:** Presently 2 slab graded slab tariff is in force which is more beneficial rather than 3 slab graded slab. The % of load factor benefit both in 3 slab & 2 slab is appended below.

	<u>3 Slab</u>		<u>2 Slab</u>
Up to 50%	Nil	Up to 60%	Nil
50% to 60%	9%	> 60%	19%
60% & above	12%		

Operating in higher load factor in case of 3 slab will yield 12% benefit, where as it will fetch 19% in case of 2 slab. Therefore, it is the humble submission of the Licensee to kindly continue with 2 slab based graded incentive tariff in FY 23-24

10. **Respondent's View/Objection:** Due to growth in HT/EHT sales, it is expected that there will lots of surplus revenue on the account of TPWODL and hence Hon'ble Commission is requested to reduce industrial tariff.

**TPWODL Rejoinder:** Growth in HT & EHT also contributes towards increase in drawl form GRIDCO who is the 'State Designated Authority' to procure power for all four DISCOMS of Odisha. Presently, due to marginal source of purchase, the cost of procurement also goes up. Accordingly, the expected surplus would be towards meeting costly power. With increase trend in cost of supply, it is a challenge before Hon'ble Commission to provide stable tariff in Odisha.

11. **Respondent's View/Objection:** Hon'ble OERC is requested to approve CAPEX considering the likely interest burden on consumers, tariff shocks and effective checking of actual implementation of CAPEX. The third party audit of CAPEX should be independently carried out and Hon'ble OERC may pass appropriate orders on the same.

**TPWODL Rejoinder:** The licensee places its CAPEX application in prior consultation with all the stakeholders and the investment proposal has been considered only on priority wherever there is requirement for overall improvement. Hon'ble Commission approves the CAPEX amount for each year after considering every aspect and appoints consultants to check the relevancy of the CAPEX application. The licensee is providing the information on CAPEX progress to Hon'ble OERC quarterly interval for better monitoring.

As per the vesting order of TPWODL the licensee is committed for capital investment of Rs.1663 crores in span of 5 years. In line with the same Hon'ble Commission has already approved Rs.333 crores for FY 21-22 and Rs.478 crores for FY 22-23. The licensee has projected Rs.516 crores for FY 23-24. The details are appended below:

FY	Upto 31-03-22 (Rs in Cr.)	Upto 31-03-23 (Rs in Cr.)	Upto 31-03-24 (Rs in Cr.)	Upto 31-03-25 (Rs in Cr.)	Upto 31-03-26 (Rs in Cr.)
Committed	306	806	1139	1461	1663
Proposed	462.42	582.18	516.39		
Approved	333.13	477.72			

12. **Respondent's View/Objection:** TPWODL is not taking effective steps for reduction of distribution loss. Hence, the Distribution loss for FY 2023-24 may be approved at a very lower level compared to earlier approved by Hon'ble Commission in FY 2022-23

**TPWODL Rejoinder:** Year wise the T&D loss position since 2010-11 is appended below for perusal, which indicates that the licensee has made remarkable improvement in loss reduction even with limited resources and huge consumer strength.

	T&D Loss(%)
FY 2010-11	38.89
FY 2011-12	38.89
FY 2012-13	38.27

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	T&D Loss(%)
FY 2013-14	36.68
FY 2014-15	35.46
FY 2015-16	33.76
FY 2016-17	31.00
FY 2017-18	25.81
FY 2018-19	21.32
FY 2019-20	18.73
FY 2020-21	25.07
FY 2021-22	21.02
FY 2022-23	19.60

Therefore, it is the humble submission of the licensee to kindly consider the T&D Loss as proposed during FY 23-24 to 21.46%.

**13. Respondent's View/Objection:** AT&C Loss for FY 2023-24 may be approved at a very lower level compared to corresponding to the value as approved by Hon'ble Commission in FY 2022-23.

**TPWODL Rejoinder:** The status of actual AT&C Loss since FY 2010-11 of the Licensee is appended below:

	AT&C Loss(%)
FY 2010-11	44.20
FY 2011-12	42.70
FY 2012-13	42.72
FY 2013-14	40.26
FY 2014-15	38.45
FY 2015-16	37.79
FY 2016-17	38.95
FY 2017-18	34.80
FY 2018-19	31.64
FY 2019-20	28.56
FY 2020-21	26.78
FY 2021-22	28.24
FY 2022-23	20.61

From the above it indicates that , with much difficulties the Licensee has reduced the AT&C Loss by 16% and if it will achieve the target of FY 22-23 then it will reduced by 24% which will be a remarkable improvement.

Few of the steps taken by TPWODL to reduce AT&C loss are as follows:

- Installation of Smart Meters for all 3ph consumers including agriculture connections.
- Installation of Smart Meter for 1Ph connections, Consumers with high consumption.
- All defective meters to be replaced with smart/new meters by June-23.

- Installation of 1 Ph blue-tooth enabled meters to reduce manual intervention in billing system.
- Strengthening of Energy audit for all 33kV, 11kV & DTR up to 250kVA. Identification of loss pocket and action to be taken for loss reduction.

There are many more initiatives towards AT&C and distribution loss reduction taken up by the licensee since taken over as described in the ARR application.

Therefore, it is the humble submission of the licensee to kindly consider the AT&C Loss as proposed during FY 23-24 to 22.42% instead of normative level of 18.90%.

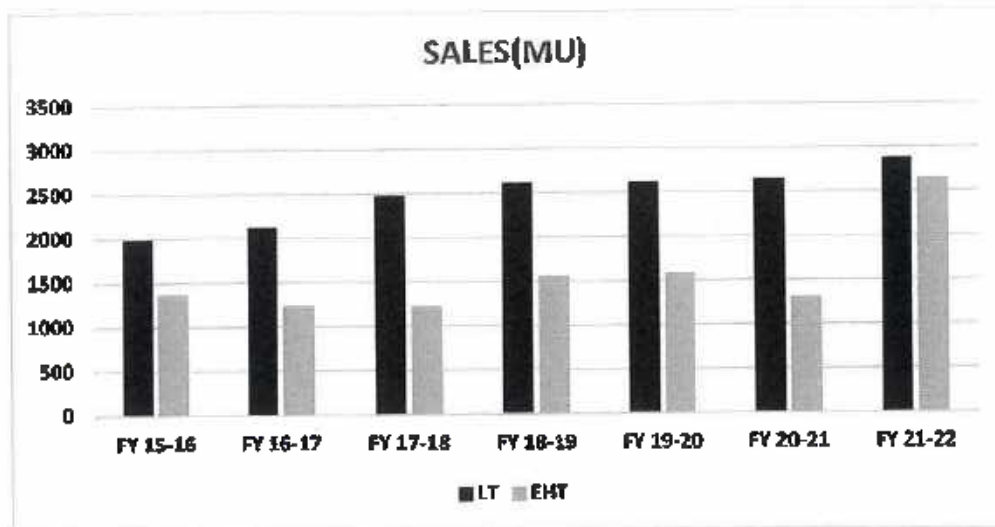
**14. Respondent's View/Objection:** Projection of LT & EHT sales for FY 2023-24 is very high. TPWODL needs to give enough justification for EHT, LT sales with actual sales patterns for the last 7 years

**TPWODL Rejoinder:** The sales projection in LT & EHT category has been made on the basis of past trends and consumption pattern for first six months of FY 22-23, actual addition/reduction of loads and other important aspect of market condition. The sales projection in LT for the ensuing year has been projected in higher side as the consumer strength and billing would be increased due to addition of consumers under domestic category around 90000 new connections have been estimated & in General Purpose category around 25000 connections have been proposed. The other reason of higher consumption in Domestic sector is on account of replacement of defective meters and electro-mechanical meters in the consumer premises as well as installation of new meters where consumers were availing power supply without meter.

The sales projection in EHT for the ensuing year has been projected upon analyzing the consumption pattern of each EHT Consumer. The projection includes 2000 MU proposed to be sold through TPA arrangement and balance 3045 MU has been considered considering the drawal pattern of 40 EHT consumers including railway who is having 18 nos. of connections. The drawal made under EHT category are mainly towards consumption of Railway, MCL, Bhusan Steel & Power, Vedanta (partially), RSP (partially) and Ultratech Cement only.

The actual sale pattern for the last 7 years is appended below in table & chart:

	<u>LT (MU)</u>	<u>EHT (MU)</u>
FY 15-16	1981.156	1362.657
FY 16-17	2121.081	1234.272
FY 17-18	2476.158	1219.189
FY 18-19	2606.643	1556.921
FY 19-20	2604.730	1579.879
FY 20-21	2635.963	1299.680
FY 21-22	2873.565	2645.549



- 15. Respondent's View/Objection:** Reduction and proper calculation of Cross Subsidy Surcharge in appropriate manner while approving the ARR & RST Application of TPWODL
- TPWODL Rejoinder:** For determination of CSS cost of power purchase bears more than 80% share. Therefore increase or decrease of CSS mostly depends upon the BSP and transmission charges of the licensee. to provide cheaper power to the industrial consumers, who are drawing power through open access or from CGP, Hon'ble Commission has introduced different rebates vide RST order FY 22-23, TPWODL has prayed to continue the same and also submitted few more proposals in its ARR application of FY 2023-24. If approved intended industries may get more benefit out of it. Apart from the above, 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. In this regard, Hon'ble Commission has stated the provision to define CSS in para no. 79 of the RST order:

*Cross Subsidy has been defined in Clause 7.77 of OERC (Terms and Conditions of Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff Policy and para 5.5.2 of National Electricity Policy. This is reproduced below:*

*"7.77 For the purpose of computing Cross-subsidy payable by a certain category of consumers, the difference between average cost of supply to all consumers of the State taken together and average voltage-wise tariff applicable to such consumers shall be considered."* and in table no. 22 of the RST order, the Hon'ble Commission has provided voltage level wise percentage of cross subsidy above/below of average cost of supply since FY 2017-18 to current year. From the table it can be observed that the percentage is well within  $\pm 20\%$  as advised in National Electricity & Tariff Policy.

In case of Open Access charges (CSS & Wheeling charges), the formula as prescribed in tariff policy is followed by the Hon'ble Commission.

16. **Respondent's View/Objection:** Differential tariff for peak & off-peak hours to promote demand side management & TOD Benefit should be increased significantly from 20 Paise per unit to 50 Paise per unit

**TPWODL Rejoinder:** The load curve behaviour/ consumption pattern has been changed, even in the night time or designated off peak hours the demand appears to be high, which forces GRIDCO to source high cost power. Hence, in spite of increase of 30paise/unit in ToD rebate, changes in overall ToD mechanism may be more beneficial.

However, Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL



GM (RA & Strategy)

Place:

Date:

C.C. M/s Romco Aluminates Pvt Ltd (formerly known as Rourkela Minerals Company Pvt Ltd), having its Regd. Office at Village -Bijabahal, PO-Kuarmunda, Dist-Sundargarh, Odisha-770039, Email:kagarwal@sarvesh.com, Mobile:9974065221

Note- This is also available at the Licensee's website - <https://www.tpwesternodisha.com>

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**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

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**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office - Burla, Sambalpur, Odisha - 768017

**AND**

**In the matter of:** Shri Ananta Narayana Mahanty, S/o Biswanath Mahanty, At./Po. Bamakoyi,  
P.S. K. Nuagum, Dist. Ganjam, State- Odisha, 761042. (Email - [ananta.zpt@gmail.com](mailto:ananta.zpt@gmail.com))

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

Point wise reply for the objection raised by objector are appended below: -

- 1. Respondent's view/objection:** Petition filed by the petitioner is hard and exhort on consumers and void the legal sanctions.

**TPWODL Rejoinder:** It is submitted that ARR and Retail Supply Tariff for the FY 2023-24 has been filed by the Licensee before the Hon'ble Commission under Section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms and Conditions for determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 and OERC (Conduct of Business) Regulation 2004. DISCOMs being regulated entities are bound to follow the legal provision and regulations of the Electricity Regulatory Commissions in true letter and spirit.

- 2. Respondent's view/objection:** The present proposed ARR is an exuberant in expenditure in employee cost, R&M cost and A&G expenditure which is double than the previous year approved expenditure. The power outages have been doubled from the yester years. If gap proposed by all DISCOMs is allowed it will increase the cost of unit thereby it will be hard on consumers of Odisha.

**TPWODL Rejoinder:** As regards to the increase in Employee cost, R&M cost and A&G cost, TPWODL would like to state that as FY 2021-22 was the first year of operation, lots of issues from areas like meter reading, billing, collection, repair and maintenance of network assets, customer service, civil maintenance, hiring of employees, creation of different office set up etc. was the major challenge for the licensee. The ABP was filed in Feb-21 which was being approved in Oct-21, pending decision of the Hon'ble Commission, TPWODL was

conservative in engaging the AMC contracts, carrying out competitive bidding process for appointment of circle wise MBC agencies, hiring of employees etc. Hence delay in engaging different agencies by about 7 months, as a result ended up with shortfall in actual expenses. If the same would have been taken up from the beginning of the financial year, the associated costs would have been much higher.

Now from the current financial year the costs towards above initiatives has already taken up. Accordingly, the estimated expenditure for the current year i.e. FY 2022-23 onwards will obviously be higher and not unnatural than the costs actually incurred in FY 2021-22.

Also, TPWODL in its ARR Petition at Page Nos. 22-36, 37-72 and 72-88 have given detailed justifications for Employee expenses, A&G expenses and R&M expenses respectively.

With regards to power outage, it is submitted that TPWODL has initiated nos. of activity for reduction of interruption, break down etc. during last two years. On implementation of the various measures the power supply position has improved. Through continuous patrolling, network augmentation, periodical preventive maintenance etc. number of tripping has been gradually reducing. Since FY 2021-22, TPWODL has attained many achievements such as establishment of 24\*7 & Operational Power System Control Centre (PSCC) and provided mobile applications to all 33/11KV Primary Sub-Station to collect the operational information, Planned Outages monitoring and information pass on to consumers regarding the outages in their area before 48 hrs. every major breakdown and planned outages informed to centralized Call Centre and consumers benefitted through it.

Further, prudent check of the cost as estimated by the licensee shall be made by Hon'ble Commission before approval.

3. **Respondent's view/objection:** Hon'ble Commission has imposed DPS on Dom & Commercial consumers @1.25%. This provision is used by the company to extract money from the consumer. They are not serving bill to consumer but charging DPS on bills not paid. Further, rebate are not passed on to the consumer when the actual bill is generated. The present rate of interest on fixed deposits is around 6% but the consumer is charged 18% for non-payment of bills is unrealistic.

**TPWODL Rejoinder:** TPWODL would like to submit that the Hon'ble Commission has pleased to enhance the % of digital rebate from 2% to 3% for LT Domestic and GP single phase customers in FY 22-23 apart from other rebate as otherwise available to them. Consumers are moving towards online mode and availing the rebate. To improve the reach to the consumers, the licensee has engaged various service providers for easy payment option to the consumers for payment of Energy Bills through offline/online mode. The purpose of such engagement of the service providers is to accelerate the revenue collection

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and to reduce the door-to-door collection by the Company. On introduction of 3% from FY 2022-23 onwards digital receipts have also increased.

Therefore, to avoid the tendency of certain consumers among the consumer categories of Dom & Commercial who are negligent towards bill payment once the due date is over, Hon'ble Commission has introduced Delayed Payment Surcharge mechanism. The licensee never intends that its esteemed customer should pay DPS, rather encourages for payment within due date and avail rebate. Also, charging of DPS is in line with neighboring states and acts as deterrent for non-payment of bills in time. The objector has erred in comparing interest on fixed deposits to delayed payment surcharge which in turn is a penalty for non-payment of bills.

4. **Respondent's view/objection:** DISCOMs are disconnecting the power supply without following the prescribed procedure of disconnection and disconnect supply without proper notice. They are not ensuring/ conforming with reason at the time of disconnection.

**TPWODL Rejoinder:** TPWODL submits that it is strictly guided by and follows the appropriate Codes and Appendix of OERC (Conditions of Supply) Code, 2019 and is well within the ambit of the same.

5. **Respondent's view/objection:** DISCOMs shall give detail financial benefits derived from the CAPEX plan on account of loss reduction and its impact on tariff.

**TPWODL Rejoinder:** It is submitted that TPWODL in its CAPEX plan for FY 2023-24 submitted to the Hon'ble Commission on 22.12.2022 had provided a detailed cost benefit analysis providing annual benefit due to reduction in AT&C losses via increase in billing and collection efficiencies which may lead to tariff reduction in future years.

6. **Respondent's view/objection:** Interest on Security Deposit may be increased as 4.25% is too low and the company is enjoying 6% interest on security deposit. Security deposit may be calculated to the nearest rupee one hundred instead of odd figure for easy transaction and for fair accounts. The consumers may be given three instalment facilities for deposit of security deposit to encourage MSME. Unlike Dom & commercial consumers, other consumers may be provided with suitable digital rebate.

**TPWODL Rejoinder:** Section 47(4) of the Electricity Act 2003 states that "The distribution Utility shall pay interest equivalent to the bank rate or more, as may be specified by the concerned State Commission. The OERC Distribution (Conditions of Supply) Code 2019, Regulation (57) also mandates the payment of interest on consumer security deposit. The licensee has calculated the interest on security deposit @ 4.25% p.a. based on the existing approval of Hon'ble Commission.

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6-5-2023

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SAMBALPUR, ORISSA

While we appreciate the objectors' concern regarding rounding off to nearest rupee. As regards to provision of allowing instalment on payment of SD, it is available, however on outstanding amount DPS is leviable. It is upto the consumer, whether to avail through payment of DPS or in one go. As regards to extending digital rebate to other category of consumers, prompt payment rebate mechanism is already available and almost all the high-end consumers are availing the benefit and avoiding payment of DPS.

7. **Respondent's view/objection:** There is a plan to install upgraded/ smart meters. Can poor BPL consumer bear the capital cost of meter or rent where their monthly bill is Rs. 80. The cost of meter shall be borne by the supplier and not consumers. Meter rent is required to be reviewed.

**TPWODL Rejoinder:** It is submitted that under regulation 97 (iv) (3) of the OERC Distribution (Conditions of Supply) Code, 2019, the licensee/supplier is permitted to move on gradually towards installation/replacement of prepaid/smart/pre-paid smart meters preferably within three years. MoP, GoI have also issued timelines for replacement of existing meters with smart meters for all consumers.

The Hon'ble Commission had permitted the recovery of Smart meter cost through monthly meter rent. Currently, TPWODL recovers an amount of Rs. 1500/- (Meter Cost - Rs. 1271/- + Rs. 229/- GST) under Mo Bidyut towards installation of Single-Phase meter while providing new connection. TPWODL have started installation of Smart Meter phase wise, beginning with 3 Ph category from July, 2022. The cost of Single-Phase Smart Meter would be around Rs. 4500/- (with GST) including installation needs to be recovered from the consumer. However, as per existing RST order for single phase Smart meter, monthly meter rent is only Rs.60 and licensee are permitted to recover maximum up to 60 months. As a result, entire cost of smart meters including cost of installation is not fully recoverable. Hence, the Licensee has requested the Hon'ble Commission for suitable revision of the monthly meter rent i.e. Rs. 80 from Rs. 60 for Single-Phase Smart Meter.

8. **Respondent's view/objection:** Bill shall be in multi-language both in Odia & English like in other states. Bill shall be small in length. Present single-phase bills are difficult to store as it gets erased in a day or two. Bills are not reflecting MD though those are mandated in regulation. Licensees do not acknowledge the copy of agreement, copy of test report to single phase consumers.

**TPWODL Rejoinder:** While we appreciate the objectors' concern, the licensee also in the process of printing the same in Odia language. The length of the energy bill would be reduced through involvement of technology in coming years. As per provision of OERC (Conditions of Supply) Code, 2019 vide para 147 contents of the energy bill has been



prescribed. All the information as prescribed has been duly incorporated in the billing software and monthly bill of the consumer is accordingly generated, for which the length of the bill is little enlarged. Further, the licensee is adhering the direction of Hon'ble Commission strictly. There is no such manual intervention in DISCOM billing. It is through FG system & the billing system is taking care, basing upon consumer's category. TPWODL strictly follows and is guided by the OERC (Conditions of Supply) Code, 2019. Meters w.r.t single phase consumers are purchased in lot and are pre-tested. The licensee tests such meters before supplying for installation at consumer premises. Even if the consumer wants re-testing of meters, such meters are sent to the accredited labs and proper documentation is being made for such tested meters.

9. **Respondent's view/objection:** Most area of Odisha is not ensured with mobile network; therefore, offline power supply application shall be entertained in local office. Rural people unnecessarily burden financial to move to urban areas to avail online application.

**TPWODL Rejoinder:** It is submitted that that though there are online application portals for applying for new connection, there are several offline modes also vis-à-vis Jan Seva Kendra, Section offices etc. where a consumer can visit and apply for power supply. Further, the local meter readers, TPWODL representative are helping villagers in many ways such as getting new connection, getting their billing disputes resolved, reporting supply related complaints etc.

10. **Respondent's view/objection:** There shall be dress code service wise. All designated offices shall display the name/ designation and number of staff with phone number deployed. All designated offices shall have official phone number and official email id. At present some BAs are approaching the consumers for change of meter/ service wire without producing authorization of SDO concerned and without dress code.

**TPWODL Rejoinder:** While we appreciate the concern of the objector, we would like to state that all our employees are provided with ID cards, official email IDs and almost most of our designated offices have official phone number and official email id. For the benefit/help the consumers a Toll Free Number 1912 / 18003456798 has been provided by TPWODL. Similarly, to report bribery/theft related issues of electricity connection, a WhatsApp number 9980558855 has been launched apart from registration facility through web portal i.e, [vigilance@tpwesternodisha.com](mailto:vigilance@tpwesternodisha.com).

11. **Respondent's view/objection:** Billing with defective meters.

**TPWODL Rejoinder:** With regard to billing with defective meters, the licensee in its ARR has requested the Hon'ble Commission for a practice direction for revision of the provisional

bill in case of defective meter, considering the past corresponding period's actual consumption. That means if meter found defective in Summer, bill shall be revised considering actual consumption of summer only and if it is in winter, past winter period actual meter reading may be taken into consideration. However, basing upon actual consumption during the succeeding six-month period, necessary sundry debit shall be made if the actual consumption in succeeding month is less than the past corresponding period's actual consumption.

**12. Respondent's view/objection:** Revision of reconnection charges.

**TPWODL Rejoinder:** The biggest challenge in the field even after disconnection, consumers are reconnecting power supply through their own means and ways. This is not only affecting business of the licensee, at the same time risk of fatal accident cannot be ruled out. It is not possible to monitor post disconnection by 24 X 7 with the available resources as well as it is not cost effective. Further, reconnection charges are continuing since last 10 years even though BST and RST of DISCOMs have increased no of times.

**13. Respondent's view/objection:** Four DISCOMs are providing power supply permissions/ estimates in different formats. Scheduled formats also differs from division to division in one circle. Provision of 1912 customer care phone number disturbs the consumers in holidays and off days and in lunch hours. Most of time employees/ workers are deployed for collection who have no knowledge about tariff/ regulation. Unused poles/ wires are still there in network. Is there any plan to remove the same. No. of disconnection and reconnection data not available to consumer. No. of consumer refunded/ adjusted the excess security deposit amount. No. of consumer final bill of power supply estimates. No. of cost benefit analysis of remunerative norms provided and its consumer contribution.

**TPWODL Rejoinder:** TPWODL would like to state that as a Distribution Licensee, it abides by the Regulations of the Hon'ble Commission and the specified Supply Code as in force from time to time. It is strictly guided by and follows the appropriate Codes of the OERC (Conditions of Supply) Code, 2019 and is well within the ambit of the same.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Place:

Date:

C.C. Shri Ananta Narayana Mahanty, S/o Biswanath Mahanty, At./Po. Bamakoyl, P.s. K. Nuagum, Dist. Ganjam, State- Odisha, 761042.

(Email - [ananta.zpt@gmail.com](mailto:ananta.zpt@gmail.com))

Note- This is also available at the Licensee's website - <https://www.tpwesternodisha.com>

PART OF AFFIDAVIT

NOTARY

Regd. No. ON 23/94  
SAMBALEKHORISSA

BEFORE THE HON'BLE

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ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021

Case No. 80 of 2022

In the matter of: TP Western Odisha Distribution Limited  
Corporate Office – Burla, Sambalpur, Odisha – 768017

AND

In the matter of: Shri Bibekananda Mohanty, S/o Harekrushna Mohanty, Covenor, Jaipur Road Civil Society, At PO/Dist. Jaipur, 755019. (Email – [bnmohanty77@gmail.com](mailto:bnmohanty77@gmail.com))

Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

Point wise reply for the objection raised by objector are appended below: -

1. **Respondent's view/objection:** No licensee come up with notification of designated officer for different services. Schedule formats differ from division to division in one circle. Provision of 1912 customer care phone number disturbs the consumers in holidays and off days and in lunch hours. Most of time employees/ workers are deployed for collection who have no knowledge about tariff/ regulation. Unused poles/ wires are still there in network. Is there any plan to remove the same. No. of disconnection and reconnection data not available to consumer. No. of consumer refunded/ adjusted the excess security deposit amount. No. of consumer final bill of power supply estimates. No. of cost benefit analysis of remunerative norms provided and its consumer contribution.

**TPWODL Rejoinder:** TPWODL would like to state that as a Distribution Licensee, it abides by the Regulations of the Hon'ble Commission and the specified Supply Code as in force from time to time. It is strictly guided by and follows the appropriate Codes of the OERC (Conditions of Supply) Code, 2019 and is well within the ambit of the same.

For and on behalf of TPWODL

GM (RA & Strategy)

Place:

Date:

C.C. Shri Bibekananda Mohanty, S/o Harekrushna Mohanty, Covenor, Jaipur Road Civil Society,  
At PO/Dist. Jaipur, 755019. (Email – [bnmohanty77@gmail.com](mailto:bnmohanty77@gmail.com))

Note- This is also available at the Licensee's website – <https://www.tpwesternodisha.com>

PART OF AFFIDAVIT

NOTARY

Regd. No. ON 23/94  
Bhubaneswar, Odisha

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

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**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office - Burla, Sambalpur, Odisha - 768017

**AND**

**In the matter of:** Shri Asitananda Biswal, Secretary Vyasanagar Banika Sangha, Jajpur Road,  
Jajpur - 755019.

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

**Point wise reply for the objection raised by objector are appended below: -**

1. **Respondent's view/objection:** The consumers may be given three instalment facilities for deposit of security deposit to encourage MSME. Unlike Dom & commercial consumers, other consumers may be provided with suitable digital rebate.

**TPWODL Rejoinder:** Section 47(4) of the Electricity Act 2003 states that "The distribution Utility shall pay interest equivalent to the bank rate or more, as may be specified by the concerned State Commission. The OERC Distribution (Conditions of Supply) Code 2019, Regulation (57) also mandates the payment of interest on consumer security deposit. The licensee has calculated the interest on security deposit @ 4.25% p.a. based on the existing approval of Hon'ble Commission.

While we appreciate the objectors' concern regarding rounding off to nearest rupee. As regards to provision of allowing instalment on payment of SD, it is available, however on outstanding amount DPS is leviable. It is upto the consumer, whether to avail through payment of DPS or in one go. As regards to extending digital rebate to other category of consumers, prompt payment rebate mechanism is already available and almost all the high-end consumers are availing the benefit and avoiding payment of DPS.

2. **Respondent's view/objection:** There is a plan to install upgraded/ smart meters. Capital cost shall be borne by the supplier and not consumers.

**TPWODL Rejoinder:** It is submitted that under regulation 97 (iv) (3) of the OERC Distribution (Conditions of Supply) Code, 2019, the licensee/supplier is permitted to move



on gradually towards installation/replacement of prepaid/smart/pre-paid smart meters preferably within three years. MoP, GoI have also issued timelines for replacement of existing meters with smart meters for all consumers.

The Hon'ble Commission had permitted the recovery of Smart meter cost through monthly meter rent. Currently, TPWODL recovers an amount of Rs. 1500/- (Meter Cost - Rs. 1271/- + Rs. 229/- GST) under Mo Bidyut towards installation of Single-Phase meter while providing new connection. TPWODL have started installation of Smart Meter phase wise, beginning with 3 Ph category from July, 2022. The cost of Single-Phase Smart Meter would be around Rs. 4500/- (with GST) including installation needs to be recovered from the consumer. However, as per existing RST order for single phase Smart meter, monthly meter rent is only Rs.60 and licensee are permitted to recover maximum up to 60 months. As a result, entire cost of smart meters including cost of installation is not fully recoverable. Hence, the Licensee has requested the Hon'ble Commission for suitable revision of the monthly meter rent i.e. Rs. 80 from Rs. 60 for Single-Phase Smart Meter.

3. **Respondent's view/objection:** Tariff is very complex. The slab of tariff shall be 0-50, 50-100, 100-200, 200-300 and 300&above so that all can afford the cost.

**TPWODL Rejoinder:** While we appreciate the objectors' concern, we submit that determination of tariff (slab-wise) to be charged from different consumer categories is the prerogative of the Hon'ble Commission under section 62 & 86 of the Electricity Act, 2003.

4. **Respondent's view/objection:** Bill shall be in multi-language both in Odia & English like in other states. Bill shall be small in length. Present single-phase bills are difficult to store as it gets erased in a day or two. Bills are not reflecting MD though those are mandated in regulation. Licensees do not acknowledge the copy of agreement, copy of test report to single phase consumers.

**TPWODL Rejoinder:** While we appreciate the objectors' concern, the licensee also in the process of printing the same in Odia language. The length of the energy bill would be reduced through involvement of technology in coming years. As per provision of OERC (Conditions of Supply) Code, 2019 vide para 147 contents of the energy bill has been prescribed. All the information as prescribed has been duly incorporated in the billing software and monthly bill of the consumer is accordingly generated, for which the length of the bill is little enlarged. Further, the licensee is adhering the direction of Hon'ble Commission strictly. There is no such manual intervention in DISCOM billing, it is through FG system & the billing system is taking care, basing upon consumer's category. TPWODL strictly follows and is guided by the OERC (Conditions of Supply) Code, 2019. Meters w.r.t single phase consumers are purchased in lot and are pre-tested. The licensee tests such

meters before supplying for installation at consumer premises. Even if the consumer wants re-testing of meters, such meters are sent to the accredited labs and proper documentation is being made for such tested meters.

5. **Respondent's view/objection:** Most area of Odisha is not ensured with mobile network; therefore, offline power supply application shall be entertained in local office. Rural people unnecessarily burden financial to move to urban areas to avail online application.

**TPWODL Rejoinder:** It is submitted that though there are online application portals for applying for new connection, there are several offline modes also vis-à-vis Jan Seva Kendra, Section offices etc. where a consumer can visit and apply for power supply. Further, the local meter readers, TPWODL representative are helping villagers in many ways such as getting new connection, getting their billing disputes resolved, reporting supply related complaints etc.

6. **Respondent's view/objection:** There shall be dress code service wise. All designated offices shall display the name/ designation and number of staff with phone number deployed. All designated offices shall have official phone number and official email id. At present some BAs are approaching the consumers for change of meter/ service wire without producing authorization of SDO concerned and without dress code.

**TPWODL Rejoinder:** While we appreciate the concern of the objector, we would like to state that all our employees are provided with ID cards, official email IDs and almost most of our designated offices have official phone number and official email id. For the benefit/help the consumers a Toll Free Number 1912 / 18003456798 has been provided by TPWODL. Similarly, to report bribery/theft related issues of electricity connection, a WhatsApp number 9980558855 has been launched apart from registration facility through web portal i.e, vigilance@tpwesternodisha.com.

7. **Respondent's view/objection:** Billing with defective meters.

**TPWODL Rejoinder:** With regard to billing with defective meters, the licensee in its ARR has requested the Hon'ble Commission for a practice direction for revision of the provisional bill in case of defective meter, considering the past corresponding period's actual consumption. That means if meter found defective in Summer, bill shall be revised considering actual consumption of summer only and if it is in winter, past winter period actual meter reading may be taken into consideration. However, basing upon actual consumption during the succeeding six-month period, necessary sundry debit shall be made if the actual consumption in succeeding month is less than the past corresponding period's actual consumption.

**8. Respondent's view/objection: Revision of reconnection charges.**

**TPWODL Rejoinder:** The biggest challenge in the field even after disconnection, consumers are reconnecting power supply through their own means and ways. This is not only affecting business of the licensee, at the same time risk of fatal accident cannot be ruled out. It is not possible to monitor post disconnection by 24 X 7 with the available resources as well as it is not cost effective. Further, reconnection charges are continuing since last 10 years even though BST and RST of DISCOMs have increased no of times.

**9. Respondent's view/objection: Four DISCOMs are providing power supply permissions/ estimates in different formats.**

**TPWODL Rejoinder:** TPWODL would like to state that as a Distribution Licensee, it abides by the Regulations of the Hon'ble Commission and the specified Supply Code as in force from time to time. It is strictly guided by and follows the appropriate Codes of the OERC (Conditions of Supply) Code, 2019 and is well within the ambit of the same.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Place:

Date:

C.C. Shri Asitananda Biswal, Secretary Vyasagar Banika Sangha, Jaipur Road, Jaipur - 755019.

Note- This is also available at the Licensee's website - <https://www.tpwesternodisha.com>

PART OF AFFIDAVIT  
6-01-2023  
NOTARY  
Regd. No. ON 23/94  
SAMBALPUR, ORISSA

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

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**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office - Burla, Sambalpur, Odisha - 768017

**AND**

**In the matter of:** Shri Prabhakar Dora, 3<sup>rd</sup> Lane, Vidya Nagar, P/O Dist. Rayagada - 755001, Ph-  
No. 9437103756, Email - doraprabhakar1965@gmail.com

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

**Point wise reply for the objection raised by objector are appended below: -**

**Respondent's view/objection:** It is evident that the distribution utility is not coming with authenticated data/based on energy audit with supporting print outs of the meter while they submit the ARR though, they claim 100% metering. So ARR should be rejected and should not be allowed for admission. The total amount spent on energy audit has gone ashtray and not served the purpose.

**TPWODL Rejoinder:** TPWODL in its ARR for FY 2023-24 has already submitted the details of Energy Audit at page 36 to 39 in para 2.5.1 which may kindly be referred. TPWODL had also engaged M/S Power tech consultant for conducting third party audit of FY 2021-22 who had completed the audit and provided the audit report in October'2022. Key findings of the said report have been captured under Energy Audit details in the ARR. As regards the quoted para 7.10 & 7.19 of RST Order for FY 2006-07, it is submitted that the same relates to the directions given to erstwhile WESCO Ltd. TPWODL management is committed to carry out the energy auditing activity in scientific and professional manner and in coming years it will yield result.

**Respondent's view/objection:** The bills shall be issued on Maximum Demand (billing Demand) recorded in meter for all categories of consumers instead of contract demand as per Regulations read with Tariff orders. Present practice is contrary to the Tariff orders. The bills served to the consumer are not reflecting the demand though all the consumers are provided with static meters having provision of recording maximum demand. It must be reflected in the bills and accordingly the MMFC should be charged but licensees are charging



MMFC as per connected load. None of the bills does not cover the names and address of collection center and working hours as per the above provision for which consumer are unable to make payment in time and also fails to avail rebate for which the licensee is unable to achieve the collection effectively. This also is violation of regulation.

**TPWODL Rejoinder:** The licensee is adhering the direction of Hon'ble Commission strictly. There is no such manual intervention in DISCOM billing, it is digitalized through FG system & the billing system is designed to capture all the parameters as per RST order of Hon'ble Commission. Specific issue if any may be highlighted.

**Respondent's view/objection:** There are anomalies in rates of meter rent and nomenclature. Rent is to be fixed on type of meter but not depending on class of consumer.

**TPWODL Rejoinder:** Consumer has always an option to install own meter, in such case meter rent is not recoverable.

As stated by the objector that cost of a three- phase tri-vector meter is around Rs. 20,000 which is factually incorrect.

Apart from this, the expenditure towards the meter provided by the licensee includes the cost of associated accessories, finance cost on capital borrowed for purchase of meter, set up of back-end IT infrastructure, installation cost, site visit and periodical meter testing as per OERC supply code 2019. So, the present level of recovery of meter rent to the extent of 60 months is justified as fixed by Hon'ble Commission.

**Respondent's view/objection:** Capital expenditure of about 28 lakhs was made for construction of 5.7 KMs of 33KV line by large Industrial consumer. Request made for reimbursement of the cost as per Remunerative Calculation after one year as adjustment of amount is not made in bills by Licensee.

GRF disposed the grievance after one year by admitting the following:

- a) Expenditure made by consumer qualifies consideration as per Appendix-I of the code as the line is handed over to the licensee and maintained by licensee from date of supply.
- b) Licensed stated that as there is huge revenue gap and actual AT&C losses of the licensee is more it cannot absorb the cost of construction of line and hence non-remunerative.
- a) When it is appealed to Ombudsman-II, Licensee reverted back and stated that Consumer is to bear the total cost as he has agreed to the construction of the line for his own interest of business willingly. The work is coming under separate scheme which does not qualify reimbursement. GRF cannot try such claims as it is coming under money claim.
- b) The ombudsman-II has given a detailed picture and directed to adjust the total amount with interest.

c) The licensee has filed a case in the High court and obtained a stay and the matter is under sub-judice since last two years. For getting his rightful claim the consumer is to knock the doors of High Court wherein he is required to justify and interpret the Appendix-I read with Regulation-13 of 2004 which was framed by the Commission in pursuance of the act.

**TPWODL Rejoinder:** In the above context it is to submit that, when a higher forum has given stay of the order of GRF, TPWODL cannot take unilateral decision. The licensee also not intends its customer should suffer. Further, TPWODL has taken over the distribution business from the erstwhile Wesco utility as per terms of vesting order. As per terms of the vesting order past outstanding with the consumer has not been transferred along with some liability. Some current liability with current assets has been transferred where the above matter as highlighted is not covered. Therefore, for redressal of the above case the licensee must act according to vesting order para 49 (b). As per the said para TPWODL shall make all diligent efforts to contest the litigation, suits, claims etc. and satisfy the Commission in this regard.

**Respondent's view/objection:** Licensees should submit revised proposals without any revenue loss which shall end as an appeasement to consumers in general. It is proposed to have debate on merits and demerits in adopting the new method of revising the slab system in general interest. As Odisha is a pioneer reformer and adopts new ideas, the Regulatory may delve on the idea of "More the consumption, Less the rate" for Domestic & GP (LT) which will become a road map for the nation.

**TPWODL Rejoinder:** While we appreciate and welcome the objector's suggestion, we would like to bring to the kind notice of the objector that determination of tariff (slab-wise) to be charged from a certain category of consumers is the prerogative of the Hon'ble Commission under section 62 & 86 of the Electricity Act, 2003. Further, the surplus position as stated is not on RTC basis, unless firm power is made available commitment for more the consumption less the charges for GP category would be a great threat to the system.

**Respondent's view/objection:** The consumer static meters which are in working condition, are replaced with smart meter to introduce upgrade technology but taking back the meter by the consumer, what he will do with that meter for which he invested the initial cost. The Hon'ble Commission is to examine and find a solution as 50% (fifty percent) single meters are consumer own meters.

**TPWODL Rejoinder:** MoP, GoI vide Gazette notification (F.No. 23/35/2019-R&R) dated 17th August, 2021 had announced to make it mandatory for all States to change all conventional meters to the more advanced prepaid smart meter within next 3 years.

As such Smart meters are a smart choice for both the consumers and DISCOMs. While Smart Meters provide complete transparency regarding billing and consumption pattern to the utilities, consumers are also empowered to rationalize their use and save significantly. The intent of the Company is as follows:

- a) To accomplish metering of feeders and consumers together with Smart Metering to curtail the commercial loss;
- b) To allow energy accounting and audit to identify the sources of the loss so that the same can be plugged effectively;
- c) To surmount the DISCOMs challenges such as impacting adversely billing & operational efficiency and improve its organizational efficiency & effectiveness.

TPWODL is in the process of deploying Advance Metering Infrastructure (AMI) throughout its territory. The scope of work includes supply and installation of smart meters along with head end system that has the ability to communicate with all cellular network platform that can support AMI system over a single communications platform.

Regulation 113 (v) of OERC Distributions (Conditions of Supply) Code, 2019, provides as follows:

*"In case the licensee/supplier replaces the meter due to technological up-gradation, the cost of the old correct meter already recovered through meter rent shall be deducted from the cost of new meter and the balanced amount may be recovered through meter rent on pro-rata basis"*

Accordingly, the licensee can recover only the differential cost through meter rent on prorata basis on replacement of existing Static Meter with Smart meter. In view of the above, TPWODL have started installation of Smart Meter phase wise, beginning with 3 Ph category from July, 2022. All the new connection applications under 3 Ph category are being provided with Smart Meter only and it has been planned to start installation of Single-Phase Smart Meter from March, 2023 onwards. In Govt consumer cases it has already started also.

It is submitted that we are ushering in digital transition by undertaking digital initiatives for continual up-gradation and enhancing the technology landscape and we request the consumers' support for the same as it can lead to reduction in techno-commercial losses, theft & pilferage and thereby impacting the tariff of the consumers.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Place:

Date:

C.C. Shri Prabhakar Dora, 3rd Lane, Vidya Nagar, P/O Dist. Rayagada - 755001, Ph- No. 9437103756, Email - [doraprabhakar1965@gmail.com](mailto:doraprabhakar1965@gmail.com).

Note- This is also available at the Licensee's website - <https://www.tpwesternodisha.com>

**BEFORE THE HON'BLE**  
**ODISHA ELECTRICITY REGULATORY COMMISSION**  
**BIDYUT NIYAMAK BHAWAN**  
**PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,**  
**BHUBANESWAR-751021**

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**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office - Burla, Sambalpur, Odisha - 768017

**AND**

**In the matter of:** Shri Rajendra Samal, S/o Nilamani Samal, Natapada, At/PO/Dist.: Jajpur,  
755019. (Email - [rajendrasamal100@gmail.com](mailto:rajendrasamal100@gmail.com))

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

Point wise reply for the objection raised by objector are appended below: -

- 1. Respondent's view/objection:** Petition filed by the petitioner is hard and exhort on consumers and void the legal sanctions.

**TPWODL Rejoinder:** It is submitted that ARR and Retail Supply Tariff for the FY 2023-24 has been filed by the Licensee before the Hon'ble Commission under Section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms and Conditions for determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 and OERC (Conduct of Business) Regulation 2004. DISCOMs being regulated entities are bound to follow the legal provision and regulations of the Electricity Regulatory Commissions in true letter and spirit.

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etc. was the major challenge for the licensee. The ABP was filed in Feb-21 which was being approved in Oct-21, pending decision of the Hon'ble Commission, TPWODL was conservative in engaging the AMC contracts, carrying out competitive bidding process for appointment of circle wise MBC agencies, hiring of employees etc. Hence delay in engaging different agencies by about 7 months, as a result ended up with shortfall in actual expenses. If the same would have been taken up from the beginning of the financial year, the associated costs would have been much higher.

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**TPWODL Rejoinder:** TPWODL would like to submit that the Hon'ble Commission has pleased to enhance the % of digital rebate from 2% to 3% for LT Domestic and GP single phase customers in FY 22-23 apart from other rebate as otherwise available to them. Consumers are moving towards online mode and availing the rebate. To improve the reach to the consumers, the licensee has engaged various service providers for easy payment

option to the consumers for payment of Energy Bills through offline/online mode. The purpose of such engagement of the service providers is to accelerate the revenue collection and to reduce the door-to-door collection by the Company. On introduction of 3% from FY 2022-23 onwards digital receipts have also increased.

Therefore, to avoid the tendency of certain consumers among the consumer categories of Dom & Commercial who are negligent towards bill payment once the due date is over, Hon'ble Commission has introduced Delayed Payment Surcharge mechanism. The licensee never intends that its esteemed customer should pay DPS, rather encourages for payment within due date and avail rebate. Also, charging of DPS is in line with neighboring states and acts as deterrent for non-payment of bills in time. The objector has erred in comparing interest on fixed deposits to delayed payment surcharge which in turn is a penalty for non-payment of bills.

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**TPWODL Rejoinder:** TPWODL submits that it is strictly guided by and follows the appropriate Codes and Appendix of OERC (Conditions of Supply) Code, 2019 and is well within the ambit of the same.

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While we appreciate the objectors' concern regarding rounding off to nearest rupee. As regards to provision of allowing instalment on payment of SD, it is available, however on outstanding amount DPS is leviable. It is upto the consumer, whether to avail through payment of DPS or in one go. As regards to extending digital rebate to other category of consumers, prompt payment rebate mechanism is already available and almost all the high-end consumers are availing the benefit and avoiding payment of DPS.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Place:

Date:

C.C. Shri Rajendra Samal, S/o Nilamani Samal, Natapada, At/PO/Dist.: Jaipur, 755019.  
(Email - [rajendrasamal100@gmail.com](mailto:rajendrasamal100@gmail.com))

Note- This is also available at the Licensee's website - <https://www.tpwesternodisha.com>

PART OF AFFIDAVIT  
12/02/2023  
NOTARY  
Regd. No. ON 23/94  
SAMBALPUR-ORISSA

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

35

**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office – Burla, Sambalpur, Odisha – 768017

**AND**

**In the matter of:** Shri Subrat Kumar Behera (Advocate), At/PO: Ranipatna, Dist.: Balasore,  
State- Odisha, 756001. (Email – [adv.subratkbehera@gmail.com](mailto:adv.subratkbehera@gmail.com))

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

Point wise reply for the objection raised by objector are appended below: -

- 1. Respondent's view/objection:** Petition filed by the petitioner is hard and exhort on consumers and void the legal sanctions.

**TPWODL Rejoinder:** It is submitted that ARR and Retail Supply Tariff for the FY 2023-24 has been filed by the Licensee before the Hon'ble Commission under Section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms and Conditions for determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 and OERC (Conduct of Business) Regulation 2004. DISCOMs being regulated entities are bound to follow the legal provision and regulations of the Electricity Regulatory Commissions in true letter and spirit.

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etc. was the major challenge for the licensee. The ABP was filed in Feb-21 which was being approved in Oct-21, pending decision of the Hon'ble Commission, TPWODL was conservative in engaging the AMC contracts, carrying out competitive bidding process for appointment of circle wise MBC agencies, hiring of employees etc. Hence delay in engaging different agencies by about 7 months, as a result ended up with shortfall in actual expenses. If the same would have been taken up from the beginning of the financial year, the associated costs would have been much higher.

Now from the current financial year the costs towards above initiatives has already taken up. Accordingly, the estimated expenditure for the current year i.e. FY 2022-23 onwards will obviously be higher and not unnatural than the costs actually incurred in FY 2021-22.

Also, TPWODL in its ARR Petition at Page Nos. 22-36, 37-72 and 72-88 have given detailed justifications for Employee expenses, A&G expenses and R&M expenses respectively.

With regards to power outage, it is submitted that TPWODL has initiated nos. of activity for reduction of interruption, break down etc. during last two years. On implementation of the various measures the power supply position has improved. Through continuous patrolling, network augmentation, periodical preventive maintenance etc. number of tripping has been gradually reducing. Since FY 2021-22, TPWODL has attained many achievements such as establishment of 24\*7 & Operational Power System Control Centre (PSCC) and provided mobile applications to all 33/11KV Primary Sub-Station to collect the operational information, Planned Outages monitoring and information pass on to consumers regarding the outages in their area before 48 hrs. every major breakdown and planned outages informed to centralized Call Centre and consumers benefitted through it.

Further, prudent check of the cost as estimated by the licensee shall be made by Hon'ble Commission before approval.

**3. Respondent's view/objection:** Tariff of Odisha is higher, if it compares to generation of Odisha.

**TPWODL Rejoinder:** TPWODL would like to submit that determination of tariff to be charged from different consumer categories is the prerogative of the Hon'ble Commission under section 62 & 86 of the Electricity Act, 2003.

**4. Respondent's view/objection:** Hon'ble Commission has imposed DPS on Dom & Commercial consumers @1.25%. This provision is used by the company to extract money from the consumer. They are not serving bill to consumer but charging DPS on bills not paid. Further, rebate are not passed on to the consumer when the actual bill is generated. The

present rate of interest on fixed deposits is around 6% but the consumer is charged 18% for non-payment of bills is unrealistic.

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Therefore, to avoid the tendency of certain consumers among the consumer categories of Dom & Commercial who are negligent towards bill payment once the due date is over, Hon'ble Commission has introduced Delayed Payment Surcharge mechanism. The licensee never intends that its esteemed customer should pay DPS, rather encourages for payment within due date and avail rebate. Also, charging of DPS is in line with neighboring states and acts as deterrent for non-payment of bills in time. The objector has erred in comparing interest on fixed deposits to delayed payment surcharge which in turn is a penalty for non-payment of bills.

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8. **Respondent's view/objection:** There is a plan to install upgraded/ smart meters. Can poor BPL consumer bear the capital cost of meter or rent where their monthly bill is Rs. 80. The cost of meter shall be borne by the supplier and not consumers. Meter rent is required to be reviewed.

**TPWODL Rejoinder:** It is submitted that under regulation 97 (iv) (3) of the OERC Distribution (Conditions of Supply) Code, 2019, the licensee/supplier is permitted to move on gradually towards installation/replacement of prepaid/smart/pre-paid smart meters preferably within three years. MoP, Govt have also issued timelines for replacement of existing meters with smart meters for all consumers.

The Hon'ble Commission had permitted the recovery of Smart meter cost through monthly meter rent. Currently, TPWODL recovers an amount of Rs. 1500/- (Meter Cost - Rs. 1271/- + Rs. 229/- GST) under Mo Bidyut towards installation of Single-Phase meter while providing new connection. TPWODL have started installation of Smart Meter phase wise, beginning with 3 Ph category from July, 2022. The cost of Single-Phase Smart Meter would be around Rs. 4500/- (with GST) including installation needs to be recovered from the consumer. However, as per existing RST order for single phase Smart meter, monthly meter

rent is only Rs.60 and licensee are permitted to recover maximum up to 60 months. As a result, entire cost of smart meters including cost of installation is not fully recoverable. Hence, the Licensee has requested the Hon'ble Commission for suitable revision of the monthly meter rent i.e. Rs. 80 from Rs. 60 for Single-Phase Smart Meter.

9. **Respondent's view/objection:** Bill shall be in multi-language both in Odia & English like in other states. Bill shall be small in length. Present single-phase bills are difficult to store as it gets erased in a day or two. Bills are not reflecting MD though those are mandated in regulation. Licensees do not acknowledge the copy of agreement, copy of test report to single phase consumers.

**TPWODL Rejoinder:** While we appreciate the objectors' concern, the licensee also in the process of printing the same in Odia language. The length of the energy bill would be reduced through involvement of technology in coming years. As per provision of OERC (Conditions of Supply) Code, 2019 vide para 147 contents of the energy bill has been prescribed. All the information as prescribed has been duly incorporated in the billing software and monthly bill of the consumer is accordingly generated, for which the length of the bill is little enlarged. Further, the licensee is adhering the direction of Hon'ble Commission strictly. There is no such manual intervention in DISCOM billing, it is through PG system & the billing system is taking care, basing upon consumer's category. TPWODL strictly follows and is guided by the OERC (Conditions of Supply) Code, 2019. Meters w.r.t single phase consumers are purchased in lot and are pre-tested. The licensee tests such meters before supplying for installation at consumer premises. Even if the consumer wants re-testing of meters, such meters are sent to the accredited labs and proper documentation is being made for such tested meters.

10. **Respondent's view/objection:** Most area of Odisha is not ensured with mobile network; therefore, offline power supply application shall be entertained in local office. Rural people unnecessarily burden financial to move to urban areas to avail online application.

**TPWODL Rejoinder:** It is submitted that that though there are online application portals for applying for new connection, there are several offline modes also vis-à-vis Jan Seva Kendra, Section offices etc. where a consumer can visit and apply for power supply. Further, the local meter readers, TPWODL representative are helping villagers in many ways such as getting new connection, getting their billing disputes resolved, reporting supply related complaints etc.

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**11. Respondent's view/objection:** There shall be dress code service wise. All designated offices shall display the name/ designation and number of staff with phone number deployed. All designated offices shall have official phone number and official email id. At present some BAs are approaching the consumers for change of meter/ service wire without producing authorization of SDO concerned and without dress code.

**TPWODL Rejoinder:** While we appreciate the concern of the objector, we would like to state that all our employees are provided with ID cards, official email IDs and almost most of our designated offices have official phone number and official email id. For the benefit/help the consumers a Toll Free Number 1912 / 18003456798 has been provided by TPWODL. Similarly, to report bribery/theft related issues of electricity connection, a WhatsApp number 9980558855 has been launched apart from registration facility through web portal i.e. vigilance@tpwesternodisha.com.

**12. Respondent's view/objection:** Billing with defective meters.

**TPWODL Rejoinder:** With regard to billing with defective meters, the licensee in its ARR has requested the Hon'ble Commission for a practice direction for revision of the provisional bill in case of defective meter, considering the past corresponding period's actual consumption. That means if meter found defective in Summer, bill shall be revised considering actual consumption of summer only and if it is in winter, past winter period actual meter reading may be taken into consideration. However, basing upon actual consumption during the succeeding six-month period, necessary sundry debit shall be made if the actual consumption in succeeding month is less than the past corresponding period's actual consumption.

**13. Respondent's view/objection:** Revision of reconnection charges.

**TPWODL Rejoinder:** The biggest challenge in the field even after disconnection, consumers are reconnecting power supply through their own means and ways. This is not only affecting business of the licensee, at the same time risk of fatal accident cannot be ruled out. It is not possible to monitor post disconnection by 24 X 7 with the available resources as well as it is not cost effective. Further, reconnection charges are continuing since last 10 years even though BST and RST of DISCOMs have increased no of times.

**14. Respondent's view/objection:** Four DISCOMs are providing power supply permissions/ estimates in different formats. Scheduled formats also differs from division to division in

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one circle. Provision of 1912 customer care phone number disturbs the consumers in holidays and off days and in lunch hours. Most of time employees/ workers are deployed for collection who have no knowledge about tariff/ regulation. Unused poles/ wires are still there in network. Is there any plan to remove the same. No. of disconnection and reconnection data not available to consumer. No. of consumer refunded/ adjusted the excess security deposit amount. No. of consumer final bill of power supply estimates. No. of cost benefit analysis of remunerative norms provided and its consumer contribution.

**TPWODL Rejoinder:** TPWODL would like to state that as a Distribution Licensee, it abides by the Regulations of the Hon'ble Commission and the specified Supply Code as in force from time to time. It is strictly guided by and follows the appropriate Codes of the OERC (Conditions of Supply) Code, 2019 and is well within the ambit of the same.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Place:

Date:

C.C. Shri Subrat Kumar Behera (Advocate), At/PO: Ranipatna, Dist.: Balasore, State- Odisha, 756001. (Email – [adv.subratkbehera@gmail.com](mailto:adv.subratkbehera@gmail.com))

Note- This is also available at the Licensee's website – <https://www.tpwesternodisha.com>

PART OF AFFIDAVIT  
NOTARY  
Regd. No. OH 23194  
SAMBALPUR DISTRICT

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT MIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

36

**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office - Burla, Sambalpur, Odisha - 768017

**AND**

**In the matter of:** Shri Manoranjan Routray, S/o Khetra Mohan Routray, Trinath Temple Street,  
PS/PO/Dist. Koraput, State- Odisha, 764020. (Email - [callmanoranjan@gmail.com](mailto:callmanoranjan@gmail.com))

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Point wise reply for the objection raised by objector are appended below: -

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SABARIPUR-ORISSA

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**TPWODL Rejoinder:** It is submitted that under regulation 97 (iv) (3) of the OERC Distribution (Conditions of Supply) Code, 2019, the licensee/supplier is permitted to move on gradually towards installation/replacement of prepaid/smart/pre-paid smart meters preferably within three years. MoP, GoI have also issued timelines for replacement of existing meters with smart meters for all consumers.

The Hon'ble Commission had permitted the recovery of Smart meter cost through monthly meter rent. Currently, TPWODL recovers an amount of Rs. 1500/- (Meter Cost - Rs. 1271/- + Rs. 229/- GST) under Mo Bidyut towards installation of Single-Phase meter while providing new connection. TPWODL have started installation of Smart Meter phase wise, beginning with 3 Ph category from July, 2022. The cost of Single-Phase Smart Meter would be around Rs. 4500/- (with GST) including installation needs to be recovered from the consumer. However, as per existing RST order for single phase Smart meter, monthly meter rent is only Rs.60 and licensee are permitted to recover maximum up to 60 months. As a result, entire cost of smart meters including cost of installation is not fully recoverable. Hence, the Licensee has requested the Hon'ble Commission for suitable revision of the monthly meter rent i.e. Rs. 80 from Rs. 60 for Single-Phase Smart Meter.

8. **Respondent's view/objection:** Bill shall be in multi-language both in Odia & English like in other states. Bill shall be small in length. Present single-phase bills are difficult to store as

it gets erased in a day or two. Bills are not reflecting MD though those are mandated in regulation. Licensees do not acknowledge the copy of agreement, copy of test report to single phase consumers.

**TPWODL Rejoinder:** While we appreciate the objectors' concern, the licensee also in the process of printing the same in Odia language. The length of the energy bill would be reduced through involvement of technology in coming years. As per provision of OERC (Conditions of Supply) Code, 2019 vide para 147 contents of the energy bill has been prescribed. All the information as prescribed has been duly incorporated in the billing software and monthly bill of the consumer is accordingly generated, for which the length of the bill is little enlarged. Further, the licensee is adhering the direction of Hon'ble Commission strictly. There is no such manual intervention in DISCOM billing, it is through FG system & the billing system is taking care, basing upon consumer's category. TPWODL strictly follows and is guided by the OERC (Conditions of Supply) Code, 2019. Meters w.r.t single phase consumers are purchased in lot and are pre-tested. The licensee tests such meters before supplying for installation at consumer premises. Even if the consumer wants re-testing of meters, such meters are sent to the accredited labs and proper documentation is being made for such tested meters.

9. **Respondent's view/objection:** Most area of Odisha is not ensured with mobile network; therefore, offline power supply application shall be entertained in local office. Rural people unnecessarily burden financial to move to urban areas to avail online application.

**TPWODL Rejoinder:** It is submitted that that though there are online application portals for applying for new connection, there are several offline modes also vis-à-vis Jan Seva Kendra, Section offices etc. where a consumer can visit and apply for power supply. Further, the local meter readers, TPWODL representative are helping villagers in many ways such as getting new connection, getting their billing disputes resolved, reporting supply related complaints etc.

10. **Respondent's view/objection:** There shall be dress code service wise. All designated offices shall display the name/ designation and number of staff with phone number deployed. All designated offices shall have official phone number and official email id. At present some BAs are approaching the consumers for change of meter/ service wire without producing authorization of SDO concerned and without dress code.

**TPWODL Rejoinder:** While we appreciate the concern of the objector, we would like to state that all our employees are provided with ID cards, official email IDs and almost most of our designated offices have official phone number and official email id. For the benefit/help the consumers a Toll Free Number 1912 / 18003456798 has been provided by TPWODL. Similarly, to report bribery/theft related issues of electricity connection, a WhatsApp number 9980558855 has been launched apart from registration facility through web portal i.e, vigilance@tpwesternodisha.com.

**11. Respondent's view/objection: Billing with defective meters.**

**TPWODL Rejoinder:** With regard to billing with defective meters, the licensee in its ARR has requested the Hon'ble Commission for a practice direction for revision of the provisional bill in case of defective meter, considering the past corresponding period's actual consumption. That means if meter found defective in Summer, bill shall be revised considering actual consumption of summer only and if it is in winter, past winter period actual meter reading may be taken into consideration. However, basing upon actual consumption during the succeeding six-month period, necessary sundry debt shall be made if the actual consumption in succeeding month is less than the past corresponding period's actual consumption.

**12. Respondent's view/objection: Revision of reconnection charges.**

**TPWODL Rejoinder:** The biggest challenge in the field even after disconnection, consumers are reconnecting power supply through their own means and ways. This is not only affecting business of the licensee, at the same time risk of fatal accident cannot be ruled out. It is not possible to monitor post disconnection by 24 X 7 with the available resources as well as it is not cost effective. Further, reconnection charges are continuing since last 10 years even though BST and RST of DISCOMs have increased no of times.

**13. Respondent's view/objection: Four DISCOMs are providing power supply permissions/ estimates in different formats. Scheduled formats also differs from division to division in one circle. Provision of 1912 customer care phone number disturbs the consumers in holidays and off days and in lunch hours. Most of time employees/ workers are deployed for collection who have no knowledge about tariff/ regulation. Unused poles/ wires are still there in network. Is there any plan to remove the same. No. of disconnection and reconnection data not available to consumer. No. of consumer refunded/ adjusted the**



excess security deposit amount. No. of consumer final bill of power supply estimates. No. of cost benefit analysis of remunerative norms provided and its consumer contribution.

**TPWODL Rejoinder:** TPWODL would like to state that as a Distribution Licensee, it abides by the Regulations of the Hon'ble Commission and the specified Supply Code as in force from time to time. It is strictly guided by and follows the appropriate Codes of the OERC (Conditions of Supply) Code, 2019 and is well within the ambit of the same.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Place:

Date:

C.C. Shri Manoranjan Routray, S/o Khetra Mohan Routray, Trinath Temple Street, PS/PO/Dist. Koraput, State- Odisha, 764020.

(Email – [callmanoranjan@gmail.com](mailto:callmanoranjan@gmail.com))

**Note-** This is also available at the Licensee's website – <https://www.tpwesternodisha.com>

PART OF AFFIDAVIT  
*6-12-2023*  
NOTARY  
Regd. No. QH 23194  
KAMRUPH-701557

**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

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**Case No. 80 of 2022**

**In the matter of:** TP Western Odisha Distribution Limited  
Corporate Office – Burla, Sambalpur, Odisha – 768017

**AND**

**In the matter of:** Shri Jayanta Kumar Jena, Bhubaneswar, (Email - [jayantkumar264@gmail.com](mailto:jayantkumar264@gmail.com))

**Subject:** Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY 2023-24 vide Case No. 80 of 2022.

Point wise reply for the objection raised by objector are appended below: -

1. **Respondent's view/objection:** Petition filed by the petitioner is hard and exhort on consumers and void the legal sanctions.

**TPWODL Rejoinder:** It is submitted that ARR and Retail Supply Tariff for the FY 2023-24 has been filed by the Licensee before the Hon'ble Commission under Section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms and Conditions for determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 and OERC (Conduct of Business) Regulation 2004. DISCOMs being regulated entities are bound to follow the legal provision and regulations of the Electricity Regulatory Commissions in true letter and spirit.

2. **Respondent's view/objection:** The present proposed ARR is an exuberant in expenditure in employee cost, R&M cost and A&G expenditure which is double than the previous year approved expenditure. The power outages have been doubled from the yester years. If gap proposed by all DISCOMs is allowed it will increase the cost of unit thereby it will be hard on consumers of Odisha.

**TPWODL Rejoinder:** As regards to the increase in Employee cost, R&M cost and A&G cost, TPWODL would like to state that as FY 2021-22 was the first year of operation, lots of issues from areas like meter reading, billing, collection, repair and maintenance of network assets, customer service, civil maintenance, hiring of employees, creation of different office set up

etc. was the major challenge for the licensee. The ABP was filed in Feb-21 which was being approved in Oct-21, pending decision of the Hon'ble Commission, TPWODL was conservative in engaging the AMC contracts, carrying out competitive bidding process for appointment of circle wise MBC agencies, hiring of employees etc. Hence delay in engaging different agencies by about 7 months, as a result ended up with shortfall in actual expenses. If the same would have been taken up from the beginning of the financial year, the associated costs would have been much higher.

Now from the current financial year the costs towards above initiatives has already taken up. Accordingly, the estimated expenditure for the current year i.e. FY 2022-23 onwards will obviously be higher and not unnatural than the costs actually incurred in FY 2021-22.

Also, TPWODL in its ARR Petition at Page Nos. 22-36, 37-72 and 72-88 have given detailed justifications for Employee expenses, A&G expenses and R&M expenses respectively.

With regards to power outage, it is submitted that TPWODL has initiated nos. of activity for reduction of interruption, break down etc. during last two years. On implementation of the various measures the power supply position has improved. Through continuous patrolling, network augmentation, periodical preventive maintenance etc. number of tripping has been gradually reducing. Since FY 2021-22, TPWODL has attained many achievements such as establishment of 24\*7 & Operational Power System Control Centre (PSCC) and provided mobile applications to all 33/11KV Primary Sub-Station to collect the operational information, Planned Outages monitoring and information pass on to consumers regarding the outages in their area before 48 hrs. every major breakdown and planned outages informed to centralized Call Centre and consumers benefitted through it.

Further, prudent check of the cost as estimated by the licensee shall be made by Hon'ble Commission before approval.

3. **Respondent's view/objection:** Hon'ble Commission has imposed DPS on Dom & Commercial consumers @1.25%. This provision is used by the company to extract money from the consumer. They are not serving bill to consumer but charging DPS on bills not paid. Further, rebate are not passed on to the consumer when the actual bill is generated. The present rate of interest on fixed deposits is around 6% but the consumer is charged 18% for non-payment of bills is unrealistic.

**TPWODL Rejoinder:** TPWODL would like to submit that the Hon'ble Commission has pleased to enhance the % of digital rebate from 2% to 3% for LT Domestic and GP single phase customers in FY 22-23 apart from other rebate as otherwise available to them. Consumers are moving towards online mode and availing the rebate. To improve the reach to the consumers, the licensee has engaged various service providers for easy payment

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option to the consumers for payment of Energy Bills through offline/online mode. The purpose of such engagement of the service providers is to accelerate the revenue collection and to reduce the door-to-door collection by the Company. On introduction of 3% from FY 2022-23 onwards digital receipts have also increased.

Therefore, to avoid the tendency of certain consumers among the consumer categories of Dom & Commercial who are negligent towards bill payment once the due date is over, Hon'ble Commission has introduced Delayed Payment Surcharge mechanism. The licensee never intends that its esteemed customer should pay DPS, rather encourages for payment within due date and avail rebate. Also, charging of DPS is in line with neighboring states and acts as deterrent for non-payment of bills in time. The objector has erred in comparing interest on fixed deposits to delayed payment surcharge which in turn is a penalty for non-payment of bills.

4. **Respondent's view/objection:** DISCOMs are disconnecting the power supply without following the prescribed procedure of disconnection and disconnect supply without proper notice. They are not ensuring/ conforming with reason at the time of disconnection.

**TPWODL Rejoinder:** TPWODL submits that it is strictly guided by and follows the appropriate Codes and Appendix of OERC (Conditions of Supply) Code, 2019 and is well within the ambit of the same.

5. **Respondent's view/objection:** DISCOMs shall give detail financial benefits derived from the CAPEX plan on account of loss reduction and its impact on tariff.

**TPWODL Rejoinder:** It is submitted that TPWODL in its CAPEX plan for FY 2023-24 submitted to the Hon'ble Commission on 22.12.2022 had provided a detailed cost benefit analysis providing annual benefit due to reduction in AT&C losses via increase in billing and collection efficiencies which may lead to tariff reduction in future years.

6. **Respondent's view/objection:** Interest on Security Deposit may be increased as 4.25% is too low and the company is enjoying 6% interest on security deposit. Security deposit may be calculated to the nearest rupee one hundred instead of odd figure for easy transaction and for fair accounts. The consumers may be given three instalment facilities for deposit of security deposit to encourage MSME. Unlike Dom & commercial consumers, other consumers may be provided with suitable digital rebate.



**TPWODL Rejoinder:** Section 47(4) of the Electricity Act 2003 states that "The distribution Utility shall pay interest equivalent to the bank rate or more, as may be specified by the concerned State Commission. The OERC Distribution (Conditions of Supply) Code 2019, Regulation (57) also mandates the payment of interest on consumer security deposit. The licensee has calculated the interest on security deposit @ 4.25% p.a. based on the existing approval of Hon'ble Commission.

While we appreciate the objectors' concern regarding rounding off to nearest rupee. As regards to provision of allowing instalment on payment of SD, it is available, however on outstanding amount DPS is leviable. It is upto the consumer, whether to avail through payment of DPS or in one go. As regards to extending digital rebate to other category of consumers, prompt payment rebate mechanism is already available and almost all the high-end consumers are availing the benefit and avoiding payment of DPS.

7. **Respondent's view/objection:** There is a plan to install upgraded/ smart meters. Can poor BPL consumer bear the capital cost of meter or rent where their monthly bill is Rs. 80. The cost of meter shall be borne by the supplier and not consumers. Meter rent is required to be reviewed.

**TPWODL Rejoinder:** It is submitted that under regulation 97 (iv) (3) of the OERC Distribution (Conditions of Supply) Code, 2019, the licensee/supplier is permitted to move on gradually towards installation/replacement of prepaid/smart/pre-paid smart meters preferably within three years. MoP, GoI have also issued timelines for replacement of existing meters with smart meters for all consumers.

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excess security deposit amount. No. of consumer final bill of power supply estimates. No. of cost benefit analysis of remunerative norms provided and its consumer contribution.

**TPWODL Rejoinder:** TPWODL would like to state that as a Distribution Licensee, it abides by the Regulations of the Hon'ble Commission and the specified Supply Code as in force from time to time. It is strictly guided by and follows the appropriate Codes of the OERC (Conditions of Supply) Code, 2019 and is well within the ambit of the same.

For and on behalf of TPWODL

  
GM (RA & Strategy)

Place:

Date:

C.C. Shri Jayanta Kumar Jena, Bhubaneswar. (Email – [jayantkumar264@gmail.com](mailto:jayantkumar264@gmail.com))

Note- This is also available at the Licensee's website – <https://www.tpwesternodisha.com>



**BEFORE THE HON'BLE  
ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,  
BHUBANESWAR-751021**

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**Case No.80 of 2022**

**IN THE MATTER OF: TP Western Odisha Distribution Limited**  
Corporate Office Burla, Sambalpur, Odisha-768017

**AND**

**IN THE MATTER OF: M/s. GRIDCO Ltd. Regd. Office: Janpath, Bhubaneswar- 751022**

**Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for FY2023-24 vide case No. 80 of 2022.**

Para wise reply for the objection raised by the objector are appended below: -

1. **Respondent's view/objection:** The respondent has requested Hon'ble Commission to enable a regulatory ecosystem through determination of generic tariff, framing new regulations, modification of existing regulations and passing suitable orders for smooth implementation of Odisha RE Policy, 2022. Hon'ble commission is being specially requested to issue orders to accommodate the exemptions and incentives as mentioned in clause 10 of the said policy as reproduced below:

Fifty percent (50%) exemption of Cross-Subsidy Surcharge shall be provided to open access consumers, on consumption of energy from RE projects commissioned in the State during the Policy period for fifteen (15) years. The OERC shall issue necessary orders in this regard.

Twenty-five percent (25%) exemption of wheeling charges shall be provided to captive / open access consumers on consumption of energy from RE projects commissioned in the state during the Policy period for fifteen (15) years. The OERC shall issue necessary orders in this regard.

Exemption on cross subsidy charges for RE power procured by industries in the state from GRIDCO as per para 23.5 of the RE Policy.

**PART OF AFFIDAVIT**  
17/02/2022  
**NOTARY**  
Regd. No. DN 23/94  
SAMBALPUR-ORISSA

**TPWODL Rejoinder:** The licensee appreciates the suggestions of GRIDCO towards growth of Green energy in the state of Odisha. Hon'ble Commission may take a suitable decision in this regard.

For and on behalf of TPWODL



GM (RA & Strategy)

Burla

Dated:

C.C. : Shri. Prasant Kumar Das, Chief General Manager (PP), M/s. GRIDCO Ltd. Regd. Office:  
Janpath, Bhubaneswar- 751022

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT  
6-12-2023

NOTARY  
Regd. No. ON 26/84  
SAMBAKOTA-ORISSA