

Together, let us light up our lives

# ORISSA ELECTRICITY REGULATORY COMMISSION

ORISSA ELECTRICITY  
REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAVAN

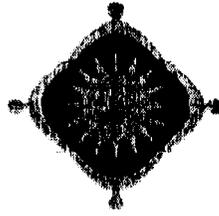
STATEMENT OF ACTIVITIES FOR THE YEAR

1999-2000, 2000-01 & 2001-02

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## COMMISSION'S LOGO



Together, let us light up our lives

The, Commission's Logo consists of a bright orange sun embedded in a blue quadrangle and bounded on four sides by four sets of human hands in grey. The orange sun represents thermal power while the blue stands for hydro power. The four human like figures represent the four major stakeholders in the power sector, namely, the Commission, the consumer, the Utility and- the State Government, respectively.

The inscription at the bottom of the logo says "**Together, let us light up our lives**". Taken with the above figure, the Commission's logo symbolises that 'the key to power reform is co-operation, balance and unity. The brightness of the future can be brought about only if the four stakeholders join hands.

## **OVERVIEW**

Orissa has been a front-ranking State in launching a comprehensive reform of the power sector in India. The aim of the reform is to address the fundamental issues underlying poor performance of the Orissa State Electricity Board. The objective is to make power supply more efficient, meet the needs of a growing economy and develop an economically viable power industry which will enable Orissa to attract private capital while safeguarding the interests of the consumers.

The reform programme was announced by the then Chief Minister of Orissa in November, 1993, formally approved by the council of Ministers in April, 1994 and was endorsed by the State Government in March, 1995. On April 20, 1995, the government issued a formal statement of its power policy.

A new legislation, namely, the Orissa Electricity Reform Act, 1995 (Orissa Act 2 of 1996) was enacted for the purpose of restructuring the electricity industry, for taking measures conducive to rationalization of generation, transmission and supply system, for opening avenues for participation of private sector entrepreneurs and for establishment of a Regulatory- Commission independent of the state government and power utilities. Advance clearance of the legislation by the central government was issued by the Ministry of Home Affairs in early November 1995. The legislation was approved by the State Assembly on November 28, 1995, The President gave his assent in January 1996 and the Act became effective in April 1996. The restructuring of the industry became effective from the same date and the Regulatory Commission became functional on 01.08.1996.

The Commission functions in a quasi-judicial manner. It has the powers of a Civil Court, It consists of three members appointed by the Govt. of Orissa on recommendation of a Selection Committee. One member will be designated as the Chairman. Each member has an equal vote and decisions are taken on majority votes.

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## **THE PROFILE OF THE COMMISSIONERS**

### **Dhruba Charan Sahoo. Chairman**



Shri D.C.Sahoo, formerly of the Indian Audit & Accounts Service, joined the Orissa Electricity Regulatory Commission as Chairman on 1st November 2001 after taking voluntary retirement as Principal Accountant General, Kerala. Born on 5th November 1944 in the district of Balasore (now Bhadrak), he graduated from Ravenshaw College, Cuttack in 1965. After completing his Masters in, Political Science from Utkal University in 1967, he

joined the Indian Audit & Accounts Service in 1969. .

/ During his illustrious career, he has served in different capacities in Indian Audit & Accounts Department. He attended Works Audit Workshop in Tokyo (Japan) in 1984 and was promoted as Accountant General in 1986.

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He was the Member (Finance & Commercial) in Haryana State Electricity Board from 1989 to 1992 and served as Accountant General (Audit) West Bengal from April 1992 to October 1996.

He conducted audit of OPBAA Organisation of U.N.Headquarters at New York for a period of six weeks in 1997. In the same year in August, he was promoted as Principal Accountant General. Apart from holding official positions in different capacities, he is a good bridge player and has participated in various tournaments and has won a number of prizes.

### **Harishankar Sahu. Commissioner**



Shri H. Sahu, former Managing Director of the Orissa Hydro Power Corporation (OHPC), joined the Orissa Electricity Regulatory Commission as a Commissioner on 6 May 2000. An electrical engineer by education, Shri Sahu brings with him an in-depth knowledge of the power industry

in Orissa.

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From 1963, when he entered the power industry in the Balimela Hydro Electrical Project, to 1999 when he retired as the Managing Director of the Orissa Hydro Power Corporation.

Shri Sahu has gained experience in a variety of areas including Construction power/Erection & Commissioning of Hydro power units, Survey Investigation of Electrical Projects including intra/inter state transmission lines, Renewable Energy development and in the Reform/Restructuring of the power sector. His special areas of expertise are Hydro-Electric Projects (Installation, Commission, Maintenance & Operation) and New & Renewable Sources of Energy Development/ Energy Conservation.

## Biirov Chandra Jena. Commissioner



Ohri B.C. Jena, formerly Chairman-cum-Managing Director of Grid Corporation of Orissa Ltd. (GRIDCO), joined the Orissa Electricity Regulatory Commission as Commissioner on 20th August 2001. Born on 10th October 1942, Shri Jena got his education at Ravenshaw College, Cuttack and obtained the Degree of Electrical Engineering" from University College of Engineering, Buria in the year 1963.

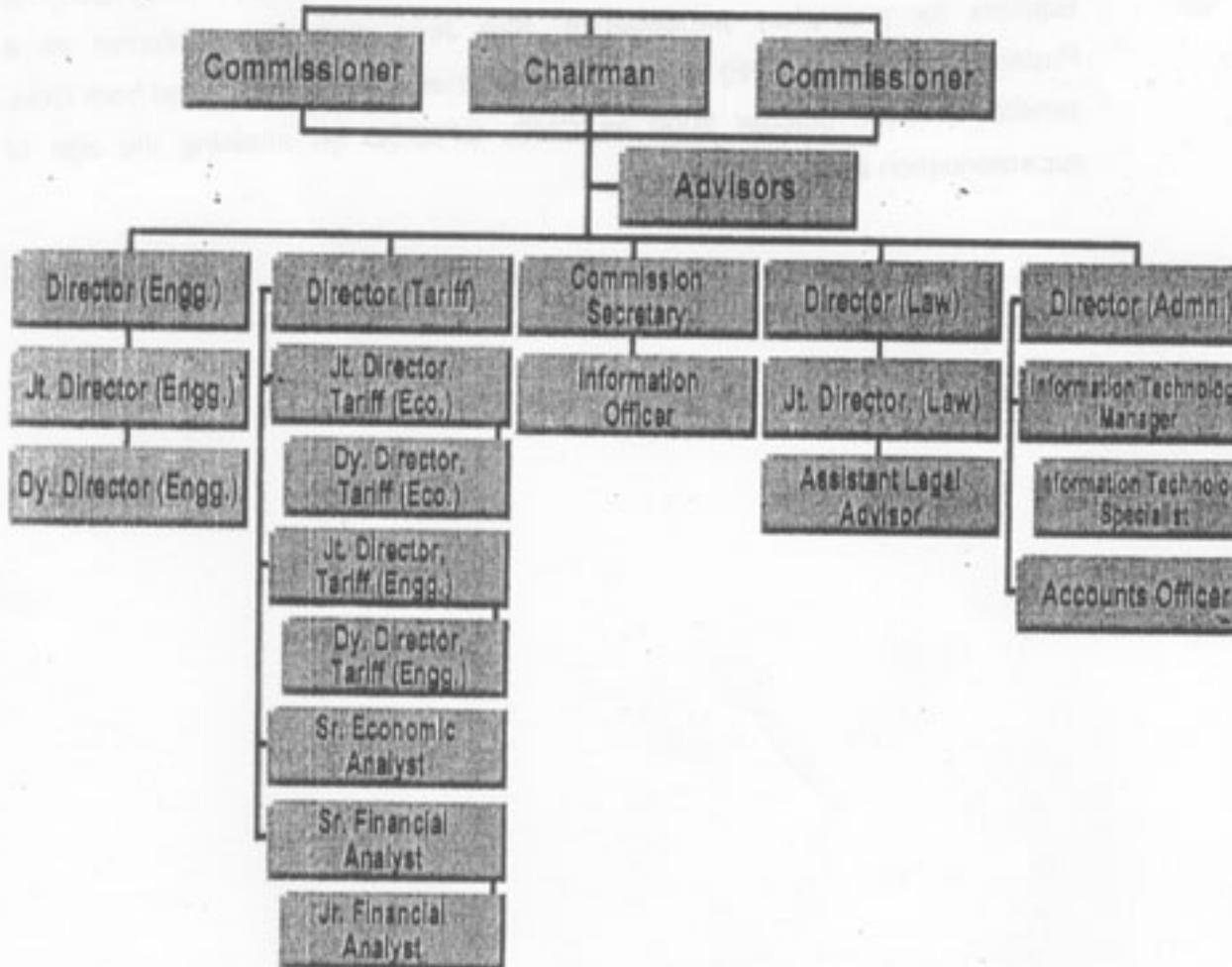
He joined the Electricity Department of the Govt. of Orissa in 1963 where he served ilKigh-iously in various capacities. In December 1991, Shri Jena was posted and joined as General Manager at the Ib Thermal Power Station and was in charge of construction of 2 X 210 MW thermal units at Banaharpalli. The successful commissioning of the units in December '94 and June '96 saw the end of power cuts in Orissa, He was promoted to the rank of Chief Engineer and was placed in the Orissa Power Generation Corporation as Director (Projects) and subsequently took over as Managing Director.

In 1995, Shri Jena was selected to the Indian Administrative Service. He joined as Chairman-cum-managing Director of GRIDCO on 31.10.1997. He was responsible for reform and restructuring of the power sector in Orissa and creation of GRIDCO and OHPC. In the 2nd phase, privatisation of distribution functions were achieved 21 months before schedule. All World Bank funded projects, OECF Projects and REC contracts were awarded. The erratic power supply in Bhubaneswar city was rectified through 54 km. of 33 KV line gfi NBLs towers with zebra conductor and a number of 33/11 KV sub stations in load centres. This was done in a record 18-24 month period under the BEINA scheme funded by DFID.

Shri Jena was also Chairman, Eastern Region Electricity Board (EREB) for the period from 5/1999 to 5/2000. Shri Jena is a Fellow of the Institution of

Engineers India and has been declared as a Chartered Engineer. Indian Council of Management Executives, Mumbai, awarded him Order of Merit SAMAJISRI for excellence in management in the year 1996. American Biographical Institute Inc. also honoured Shri Jena by inclusion in the Institute's Governing Body of Equitors for exemplary performance, Shri Jena was also conferred as a Professional Engineer (PE) by Institute of Engineers, India and retired from Govt. service on 31st October 2000 as CMD, GRIDCO on attaining the age of superannuation at 58 years. •-

## ORGANISATION CHART



## MANDATE OF THE COMMISSION

The Commission is entrusted with the responsibility to discharge the following functions:

- to aid and advise, in matters concerning generation, transmission, I distribution and supply of electricity in the State;
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- to regulate the working of licensees and to promote their working in an efficient, economical and equitable manner;
- to Issue licenses in accordance with the provisions of the Reform Act and determine the conditions to be included in the licenses;
- to promote efficiency, economy and safety in the transmission, distribution and use of electricity in the State including and in particular in regard to quality^continuity and reliability of service so as to enable all reasonable demands for electricity to be met;
- to regulate the purchase, distribution, supply and utilization of electricity, the quality of service, the tariff and charges payable keeping in view both the interest of the consumer as well as the consideration that the supply and distribution cannot be maintained unless the charges for the electricity supplied are reasonably levied and duly collected;
- to promote competitiveness and progressively involve the participation of the private sector, while ensuring a fair deal for the customers;
- to collect data and forecast on the demand for and use of electricity and to require the licensees to collect such data and make such forecasts;
- to require licensees to formulate perspective plans and schemes in coordination with others for the promotion of generation, transmission, distribution and supply of electricity; and
- to Undertake all incidental or ancillary things.

The Orissa Electricity Regulatory Commission has played its cards with a great deal of deftness and competence. Its task is all the more invidious because there did not exist any independent regulatory commission in electricity industry in any of the developing countries in Asia to look forward for advice and guidance. The Commission has formulated its rules and regulations and procedure in a tailor-made manner to suit the economic and industrial development in general, and need of electricity sector in particular, in the state of Orissa while safeguarding the interests of all categories of consumers.

## **REGULATORY MECHANISM**

The new regulatory regime is designed to insulate the electricity industry from shortsighted political decisions and rigid bureaucratic control. It aims at ensuring that industry operates on commercial lines so that the scarce resources of the state are available for development. It has been the commonplace experience that state owned industry is utilised for achieving social and political 'ends such as creating avenues for employment, and giving subsidy to certain categories of consumers. This becomes detrimental to the industry resulting in non-availability of resources for maintenance and expansion, lack of accountability in performance, poor quality of service, financial sickness of the industry and unwillingness of private sector to invest in any significant manner.

The new regulatory regime, on the pattern prevalent in USA and UK, has been designed to function in a transparent and non-partisan manner by instituting the process of open hearing, etc. by which the Regulatory Commission can monitor and control the activities of various utilities and ensure protection of consumers.

As an independent Regulator OERC

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1. Issues and enforces licenses
2. Determines tariff and charges
3. Monitors financial viability of operators
4. Sets service standards and monitors compliance
5. Arbitrates in disputes between licensees
6. Arbitrates in disputes between licensees and consumers
7. Provides information and advice to the Government
8. Handles consumer grievances
9. Promotes competition in all sectors of electricity industry

As an independent Regulatory Commission, it inspires confidence among the investors from private sector by allaying the fear that political and personal considerations may foster an uncertain and unhealthy climate so that the vested interests will not be unduly favoured.

## **ACTIVITIES OF THE DIVISIONS**

The activities of different divisions during FYs 1999-2000, 2000-01 & 2001-02 under the aegis of the Commission are discussed below:

### **(A) SECRETARIAT DIVISION :**

The Secretariat is the pivot of the Commission's activities and the post of Secretary is statutory. U/s 8(1) of the OER Act, 1995, the Secretary is required to assist the Commission to carry out its functions. The OERC (Conduct of Business) Regulations, 1996 further defines the role of Secretary as the spokesman and representative of the Commission in all matters pertaining to proceedings/hearings of the Commission. The Secretary is the repository of the Commission orders and records and carries out all correspondence of the Commission. He issues certified copies of orders/documents/notifications on behalf of the Commission. The Secretary also conducts important meetings of the Commission such as, the Commission Advisory Committee meeting, Directors I Level meeting of OERC & utilities and other internal meetings.

The Secretary also monitors the disposal of consumer complaints. The Commission has evolved a procedure under a practice direction for redressing consumer grievances that are not addressed by the utilities. Under this system, the Commission receives consumer complaints and monitors their redressal through a Grievance Cell headed by the Information Officer who reports to the Secretary. A monthly meeting is held between the Commission Staff and the Nodal Officers of the utilities dealing with consumer complaints. Those complaints which are not resolved by the Grievance Cell are referred to the Grievances Redressal Forum (GRF) after approval of the Commission.

## Activities for the year 1999-2000

As many as 37 cases were instituted and 29 cases were disposed of during the FY 1999-2000. The Commission passed orders in the following important cases.

1. Case No. 12/99 Bulk Supply Tariff for the FY 1999-2000 by GRIDCO
2. Case No.22/99 Retail Tariff Application For FY 1.999-2000 by SOUTHCO
3. I Case No.23/99 Retail Tariff Application For FY 1999-2000 by NESCO
4. 'Case No.24/99 Retail Tariff Application For FY 1999-2000 by WESCO
5. -Case No.25/99 Retail Tariff Application For FY 1999-2000 by CESCO
6. Case N6.11/99 Sale of GRIDCO's 51% of the equity shares to CESCO
7. Case No. 16/99 Approval of PPA between GRIDCO & M/s Kalinga Power Corporation Ltd. on Duburi Thermal Power Station (2X250 M.W.)
8. Case No. 17/99 Approval of PPA between GRIDCO & OHPC on Upper Indravati Hydro Electric Project (UIHEP) (4X150 M.W.)
9. Case No.33/98 I Order was passed for improvement of power supply to the twin cities of Cuttack and Bhubaneswar.
10. CaseNo.9/99 Restoration of power supply to the revenue district of Puri

: U/s 32(1) of the OER Act, 1995, the Commission has constituted a Commission Advisory Committee (CAC) in consultation with the State Govt. to advise the Commission on major policy issues and on any matters relating to the quality of service by the utilities. The CAC represents various stakeholders in the power sector and the Chairman and Members of the are its ex-officio Members. The CAC consists of 21 members and is statutorily required to meet at least once in three months.

During 1999-2000 five meetings of the CAC were held. The Committee gave its recommendations on major issues like improvement in billing and collection procedure, role of consumer organisations in the reform of the

electricity industry, GRIDCO's power purchase bill and its impact, amendment to Regulation 110 of the OERC Distribution (Conditions of Supply) Code, 1998 and determination of bulk supply and retail supply tariff.

OERC (Fines & Charges) Regulation, 1999 was framed during the FY 1999-2000. This regulation empowers the OERC to initiate proceedings for imposition of fines and charges and award of compensation to consumers affected by non-compliance or violation of any rules/regulations/orders/ directions of OERC by the licensees.

The Commission approved a practice direction on Consumers' Grievance Handling Procedure. As many as 288 consumer grievances were instituted and 276 were disposed off by the Grievance Cell of OERC following the practice direction.

An International Seminar on Electricity Regulation was organised by the Commission on the occasion of its 4<sup>th</sup> Foundation Day on 30-31<sup>st</sup> July, 1999. It was attended by power sector luminaries from all over the world including Regulators from CERC, SERCs and State Commissions of Ohio and Massachusetts.

The Commission conducted public awareness campaign on power sector reform through publications, print and audiovisual media. In July, 1999 Shri M.R. Mohanty, Secretary & Ms. Purabi Das, Information Officer attended the first meeting of the National Forum of Regulators, New Delhi. Ms. Das made a presentation on OERC at the meet.

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During 1999 Chairman, Secretary and Information Officer attended five consumer interface programmes in the zonal headquarters of the DISTCOS at Berhampur, Sambalpur, Balasore, Rourkela and Cuttack.

Representations from various consumer groups and trade and industry associations were heard and considered by the Commission in its subsequent tariff order.

## Activities for the year 2000-01

**As many as 47 cases were instituted and 45 cases were disposed of during the financial year 2000-01. The Commission passed orders in the following important cases;**

1. Case No.27/2000 - GRIDCO's application for revision of Transmission & Bulk Supply Tariff.
2. Case No.28/2000— CESCO's application for revision of Distribution & Retail Supply Tariff.
3. Case No\*32/2000 - NESCO's application for revision of Distribution & Retail Supply Tariff.
4. **Case No.33/2000 - SOUTHCO's application for revision of Distribution & Retail Supply Tariff.**
5. Case No. 17/2000 - WESCO's Tariff application for revision of Distribution & Retail Supply Tariff.
6. Case No.30/2000 - GRIDCO submitted a long-term plan for financial restructuring to the Commission to strengthen its own finance and to enable the licensee to take care of the accumulated losses. On scrutiny of its proposal, the Commission approved in principle the restructuring plan proposed by GRIDCO. This was done after weighing all possible options to rejuvenate the finances of the licensee while safeguarding consumers' interest.

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7. The havoc caused by the Super- Cyclone of 1999 to the people of the

State is still fresh in every body's memory. Licensees like GRIDCO and CESCO had suffered huge damages in terms of their assets. The Commission made a fair assessment of the required investments to make good the damages and also finalised the accounting of these damages to the licensees.

8. Case No. 17/2001 - As a measure of protecting consumer interest, the Commission took suo motu notice of the unauthorized consumer load census carried out by CESCO in February, 2001 and stayed the **same**.

During 2000-01, four meetings of the CAC were held. The Committee gave its recommendations on major issues concerning the electricity sector including the State Govt.'s Rural Electrification Programme, Re-classification of consumers, revival of Bijii Adalats, determination of tariff for 2000-2001 & pending PPAs.

As is\* provided under the existing Electricity Laws, the Commission resolved a number of billing and metering disputes between DISTCOs and GRIDCO during the year. Consumer grievances and complaints were given undivided attention and were filtered through a three-tier system viz. Grievance Handling Procedure, Nodal Officers' meeting **and** Commission's direct involvement and consideration of the consumers numerous problems through public proceedings.

The Grievance Cell Registered 649 consumer complaints of which 544 cases were disposed of by March 2001. The Commission also conducted public awareness campaign through publications, such as, the booklet on Frequently Asked Questions (FAQs) about electricity and the Commission Newsletter

**A number of seminars/workshops were arranged to highlight the present status of the reform process in the State with a view to maintaining the reform tempo.** A National Seminar on Quantification and Reduction of T&D **Losses** in the Dynamic Regulatory Environment was organized in August, 2000. The seminar identified T&D Loss reduction as the main thrust area to revive the ailing power sector. A mission statement was issued by the Commission on the occasion of its 5<sup>th</sup> Foundation Day.

A presentation on power sector reforms was made before the World Bank in Washington DC on 17.04.2000. Another presentation was made to His Excellency the Governor of Orissa, highlighting the role of the Regulatory Commission in the changing electricity industry. A similar presentation was made to the Hon'ble Chief Minister of Orissa on 15.09.2000.

The Commission's proactive work procedures and innovative methodologies attracted the House Committee on Power Tariff of the Andhra Pradesh Legislative Assembly to come to OERC and listen to the role and functions of the Commission as a pioneering body in the country. A Chinese delegation also met the Commission, shared their views and saw the presentation at-GERC.

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The Commission participated in two Interactive Training Programmes on power sector reform held in April and July 2001 organised by Indian Space Research Organisation under the GOI's GRAMSAT Pilot Project in the Film and Television Institute of Orissa, 'Cuttack. Information Officer, OERC acted as anchorperson for the programmes. An on-the-spot inspection of Vidyut Committees in Rourkela under micro-privatisation scheme of WESCO was made and report submitted on the same by Information Officer in May 2000.

### **Activities for the year 2001-02**

As many as 62 cases were instituted and 46 cases were disposed of during the financial year 2001-02. The Commission passed orders in the following important cases;

#### **Important cases:**

1. Case.No.65/2001 - GRIDCO's application for revision of Transmission & Bulk Supply Tariff.
2. **Case No.62/2001** -CESCO's application for revision of Distribution & Retail Supply Tariff.

3. Case No.55/2001 - SOUTHCO's application for revision of Distribution & Retail Supply Tariff.
  4. **Case** No.56/2001 - NESCOs application for revision of Distribution & Retail Supply Tariff.
  5. Case No.54/2001 - WESCO's application for revision of Distribution & Retail Supply Tariff.
  6. A proceeding was initiated by the Commission (Case No.37/2001) on "10.7.2001 for violation of its Tariff order by CESCO regarding grant of incentive and rebates to HT & EHT consumers. The Commission took a stern view of the DISTCO's attempt to violate the rights of consumers and imposed a fine for the sum of Rs.1. lakh on CESCO. The utility was also directed^to publish an advertisement notifying a proposal for adjustment of excess payment by consumers and to implement the same expeditiously.
  7. On 7<sup>th</sup> August, 2001, AES Transpower which held management of CESCO wrote to GRIDCO asking the Bulk Supply Licensee to stop supply of power to the utility as it, was not in a position to pay the power purchase bill of the latter. This was a fundamental breach of CESCO's Licence Condition and would have led to breakdown of power supply in the area. Therefore, the Commission withdrew management of CESCO from AES and vested it with an officer of the IAS cadre nominated by the State Govt. (vide Case No.39/2001). Shri S.C. Mohapatra, IAS was designated as Chief Executive Officer of CESCO w.e.f. 27.8.2001 and was given the power of management of the utility's undertaking and business under the supervision of the Commission till further orders.
  8. . The Draft Interim PPA between OHPC and GRIDCO for 1998-99 to 2000-01 was approved by the Commission (vide Case No. 15/2000). The Commission also scrutinised the proposed PPA on Samal Barrage Small HydroElectric Project. **A review** petition of UIHEP PPA was also examined.
  9. The Commission was deeply concerned about the cash crunch faced by the utilities and passed orders vide Case Nos. 31/2000, 35/2000, 36/200 & 37/2000 for securitization of payment of dues of DISTCOs to GRIDCO.
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also passed order for relaxation of Escrow agreement between CESCO & GRIDCO to enable the utility to pay the salaries of its employees (vide case No.39/2001)

The Commission also notified an amendment to the OERC Distribution (Conditions of Supply) Code, 1998.

Clause 80 regarding classification of consumers was amended and the existing commercial category was reclassified as LT General, Small Industries became LT Industrial (S) Supply & Medium Industries was renamed LT/HT Industrial (M) Supply, among other things. The above reclassification was made to reflect the nature of supply, costs involved

**and the tariff they should attract.**

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**Other** important activities during the year included the Commission's entry into Forum of Indian Regulators, New Delhi.

During the year 2001-02, three meetings of the CAC were held. The Committee gave its recommendations on major issues concerning the electricity sector including consumer protection and standard of performance with regard to supply of electricity, power procurement and disposal of surplus power and determination of tariff for 2001-2002.

The Commission discussed at length the Electricity Bill 2001 and submitted to the Government of Orissa its own reactions and suggestions. The Electricity Bill, 2001 proposed drastic changes in Electricity Laws with the objectives of deregulating the electricity sector and introducing as much competition as possible.

The Commission also reviewed detection of unauthorised abstraction of energy by the licensees. Consumers' grievances and complaints continued to attract much of the attention of the Commission. By the end of March 2002, 708 consumer complaints were registered and 565 disposed of.

The Commission undertook a public education campaign involving print and publication, street theatre shows and hoarding. Messages on theft of power, safe use of electricity, conservation of power and rights and duties of stakeholders were disseminated using multiple media with the help of the utilities. Ms. Purabi Das, Information Officer attended and made a presentation at a national consumer meet organised by CUTS at Jaipur, Rajasthan during October, 2001.

## **(B) TARIFF DIVISION :**

Determination of tariff and monitoring the performance of the licensees are the main tasks of the Commission. The Commission is required to obtain and analyse the annual revenue requirements of the licensees and determine the charges to be levied on various categories of consumers. As required by Chapter-VIII of the OER Act, 1995 the Commission is bound by three parameters while fixing tariff, namely (i) the financial principles enunciated in the Electricity Supply Act, 1948, (ii) the factors promoting efficiency, economy in the use and allocation of resources and good performance etc. and (iii) the overall interest of the consumer<sup>^</sup>. However, the Commission has been armed with the power to depart from the factors specified in the Sixth Schedule of the Electricity Supply Act, 1948 after recording sufficient reasons. Performance benchmarking and monitoring have been attempted through issue and implementation of codes and standards.

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#### **Activities for the year 1999-2000**

The system of tariff determination is based on statistical data and information supplied by the various licensees from time to time. The Commission therefore stressed on disclosure of more and more commercial and financial information for which the Accounting Policy for the licensees were developed, approved and issued to the licensees for implementation.

The conceptual issues of electricity tariff in Orissa was developed by the Commission after discussion with GRIDCO, economists, industry associations, power professionals and consumer groups to provide a road map for determination of tariff. This is a very vital piece of document that lays down the principles covering the entire spectrum of tariff setting as detailed below.

- 1) System of Accounts
- 2) Reduction of Subsidy and Cross Subsidy
- 3) Determination of Revenue Requirement
- 4) Appropriate Price Regulation
- 5) Tariff Filing Requirements
- 6) Basis of Asset Valuation
- 7) Unbundling of Tariff
- 8) Assignment of Revenue Requirement in Tariff Design
- 9) Requirement of Fuel and Power Purchase Adjustment
- 10) Differential Tariff on Zonal Basis
- 11) Seasonal and Time-of-Use Tariff

The Reform Act provides for a Fuel Surcharge Formula to take care of the changes in the cost of fuel and oil as a pass through in consumer tariff. The Commission modified the proposal submitted by GRIDCO for determination of fuel surcharge and issued the Fuel Surcharge Formula during the year.

The most significant and important assignment of this Division is determination of tariff and revenue requirement in respect of GRIDCO and the four distribution companies namely NESCO, WESCO, SOUTHCO and CESCO. The Commission took all care for completing this stupendous job within a stipulated period of 90 days of receipt of all applications in complete shape in spite of dislocation of activities due to super-cyclone in November, 1999 and the order was issued on 30<sup>th</sup> December, 1999.

The Regulatory Management System was developed by the Orissa Electricity Regulatory Commission with assistance of MECON, Ranchi and input from the accounts, finance, engineering and economics sections of the Tariff Division. When fully functional this system will be of tremendous benefit to the licensees and the Commission.

The Commission regulates the purchase of power of the Bulk Supply and the Transmission licensee through approval of PPA, which has a number of commercial, financial and technical inputs. During the year under consideration the PPAs submitted by GRIDCO in respect of Upper Indravati Hydro Electric Project with OHPC and for Units 5 & 6 of Ib Thermal Power Station (ITPS) with AES and Kalinga Power Corporation at Duburi were taken up for scrutiny.

The tariff issued by GRIDCO for the FY 1996-97 was remanded by the Hon'ble High Court of Orissa to the Commission which was scrutinized during the year. The Review Petition on Bulk Supply Tariff and Retail Supply Tariff for 1998-99 by EHT consumer and small scale industries also heard during the year under review. \* A"

Among the large number of consumer cases being handled by the Commission during the year, one of the significant cases that was taken up was the arbitration proceeding , relating to Indian Charge Chrome Ltd. Vrs. Grid Corporation of Orissa Ltd. The issue of grant of consent for Captive Power Plant (CPP) for capacity 11.5 MW to Ispat Alloys, Balasore was also taken up during the year.

Training and seminars are an integral part of a knowledge based organisation like OERC for which a training programme on Utility Finance by National Economic Research Associates (NERA) of USA was conducted for the officers of the Commission, Training on Rate Making at Administrative Staff College of India, Hyderabad was attended by Shri S.N. Ghosh and Shri K. Biswal, Joint Directors of Tariff Division. Mrs. Dharitri Panda, Jt. Director also attended the National Seminar on Transition to a Liberalisation Environment conducted by Tata Energy Research Institute (TERI), New Delhi. Shri A. Sahoo, Dy. Director underwent a six-month part time course at SQL, Bhubaneswar on ORACLE Developer, 2000. Shri S.K. Jena, Director (Tariff) attended the National Seminar on Management

in Power Sector Problems and Solutions conducted by Strategic Management Group at New Delhi.

Traditionally, OERC has developed a system of dissemination of knowledge through various presentations. Shri A. Sahoo, Dy. Director presented an analysis of the method of Global Accounting to the Commission and staff, Dr. M.S. Panigrahi, Jt. Director made a presentation on " Marginal Cost of Transmission. Shri S.M. Pattnaik, Dy, Director made a presentation on Operation and Maintenance Interest and Depreciation Expenses of GRIDCO.

During the year, the Chairman, CERC, New Delhi, APERC, Gujarat, M.P. and DFID visited OERC separately. A presentation on Tariff 1998-99 and on Power Sector Reform was given by Shri S.K. Jena, Director (Tariff) in the Commission to these dignitaries. He also gave presentations on PPAs of Upper Indravati Hydro-Electric Project, Fuel Price Adjustment and Availability Based Tariff to the Commission and staff. Presentation was also given to the officers of A.G. at Bhubaneswar and at CII, Bhubaneswar.

### **Activities for the year 2000-01**

The Orissa Electricity Regulatory Commission (OERC) displayed its dynamism during 2000-01 by issuing reasoned tariff orders to the Bulk Supply and Transmission Licensee and Distribution Licensees. The advent of the year witnessed OERC issuing revised guidelines for tariff filing to GRIDCO and Distribution Companies. These guidelines were updated incorporating newly designed formats to broad base the submission of information by the licensees. A significant amount of time was devoted by the Commission towards re-determination of tariff for the year 1996-97 in accordance with the order of the Hon'ble Supreme Court.

GRIDCO filed an application under Section 26 of the Orissa Electricity Reform Act, 1995 on 29.09.2000 in respect of its revenue and tariff for Bulk .

Supply of electricity and for use of its transmission services. The Commission gave a reasoned order on 19.01.2001 whereby the Distribution Companies were asked to pay a differential Bulk Supply Tariff based on costs and financial conditions of the licensees. The Distribution Companies like CESCO, NESCO, SOUTHCO and WESCO had also simultaneously submitted their respective applications in respect of their revenue requirements and tariff for retail supply of electricity.

The Commission delivered a balanced judgement and hiked the retail tariff on an average by 10.23% which was little higher than the prevailing rate of inflation but was much below the extent of fuel prices in the country. The guiding factor in the determination of retail tariff has been to move towards a cost based tariff with gradual phasing but of cross-subsidies.

The Commission continued to review quarterly submission of metering data, data relating to consumers' commercial information including loss reduction activities on a regular basis. '

The Commission also made an appraisal of various tariff orders passed by the Regulatory Commissions of the neighbouring states. This provided some inputs to strengthen the tariff design and structure in the State of Orissa.

One seminal achievement during 2000-01 is the official issue of the procedure for Load Forecast to be conducted by the licensees every year. A Practice Direction was issued which talked about the various methodologies of load forecast, time dimension involved and the need for such forecasts every year for future generation and transmission planning.

The Commission prepared a study on inter-state retail tariff comparison, which covered almost all the states in the country.

Another study on status of cross-subsidies conducted during the year under review demonstrated that the post-reform tariff changes in Orissa have kept pace with annual movement of costs and prices. The study clarified that the efforts of OERC to reduce the inverted tariff structure inherited from the OSEB have succeeded in gradual reduction of cross-subsidy across the board. The Commission recommended grant of R.E. subsidy by the Government of Orissa for the year 1999-00 for furtherance of Rural Electrification works.

The Commission attended to a number of High Court cases arising between the licensees and between the consumers and the licensees. Necessary legal input was provided to the legal counsel for preparation of counter and arguments relating to tariff matters before the Hon'ble High Court of Orissa.

### **Activities for the year 2001-02**

The state power sector witnessed a thorough mid- term review by a High Power Committee consisting of independent experts appointed by the Government of **Orissa**. The Committee headed by Shri Soven Kanungo emphasised on improvement of supply conditions while freezing tariff for at least five years. Inherent in the recommendations of the High Power Committee is the idea of reduction of input cost of power by a number of means, an idea that was mooted by the Commission during the year under review.

Rise in unit cost of power, high depreciation due to upvaluation of assets, non-maturing of expected load growth, high T&D loss accompanied by total absence of government subsidy characterised the state of the power sector,

The Commission gave a presentation to the Soven Kanungo Committee, which described the status of power sector reforms very aptly and suggested steps to improve the sector and to strengthen OERC.

To strengthen OERC, the Commission suggested certain measures to the High Power Committee, It was stated that financial autonomy of the OERC might be ensured in the pattern of neighbouring states and adequate funds be provided for day-to-day functioning of the Commission. The budget provision meant for OEERC has been consistently lower than the license fees deposited with the state exchequer. The Commission also highlighted the infrastructural bottlenecks faced by the officers in carrying out their jobs.

As per the requirement of the prevailing regulations, GRIDCO and the DISTCOs submitted their annual revenue requirements for 2001-02, which were examined by the Commission. The Commission also laid down the procedure for finalisation of the bids for procurement of materials by various licensees. GRIDCO submitted two applications under Section 26 of the Orissa Electricity Reform Act, 1995 in respect of its revenue requirement, tariff for Bulk Supply of electricity and tariff for use of transmission services. Its application for determination of Transmission-and Bulk Supply Tariff for the FY 2001-02 was registered as a separate case for revenue requirement for the FY 2002-03. As both the leases were interrelated to each other, they were heard analogously. The Commission worked out various alternative models of cost reduction to reduce the input cost of power so that the Bulk Supply Tariff moved downward, to the satisfaction of the DISTCOs and the people of the State.

Reduction in power purchase cost was sought to be achieved by applying certain correctives to OHPC. Depreciation in respect of OHPC's old stations was allowed up to loan repayment. ROE was calculated at 12% instead of 16% on OHPC's own investment. Impact of Government loan due to revaluation was not considered as a passthrough in tariff. O&M expenses also were pruned for 2001-02 and 2002-03. A similar approach was also followed in cutting down the cost in case of Upper Indravati-Power Stations.

The upvaluation of assets of GRIDCO and OHPC per se has not been disturbed but its effects like assigning the additional amount as loan, debenture, Zero Coupon Bonds have been kept in abeyance. Originally, depreciation was being calculated at post-94 rate as prescribed by the Government of India on the asset base, revalued on 1.4.96. This had raised the revenue requirements of GRIDCO and DISTCOs. The Commission in public interest decided that the licensee would be allowed to recover 90% of the asset value within the life span of the asset following the GOI notification of 1992. This would avoid front loading of tariff, while ensuring necessary cash flow to the licensees. Accordingly, the licensees were directed that the depreciation of assets should be limited to 90% of the revalued cost of asset. The depreciation should be calculated from 1.4.2001 onwards at pre-92 rate,

The DISTCOs had simultaneously applied separately to the Commission for revision in the Retail Supply Tariff for 2001-02 and Revenue Requirement for 2002-03. The above applications of the DISTCOs were examined by the Commission together.

It may be remembered that the Commission has switched over to a tariff philosophy based on voltage and cost of supply of power from the traditionally accepted concepts of nature and purpose of supply, in the post-reform regime. Keeping the above objective in view the Commission brought in certain changes in Regulation 80 of the Distribution Code, 1998 pertaining to classification of consumers.

The existing PPA terms with regard to amendment of rates for depreciation, rate of return, O & M charges, escalation in O&M, book value of assets etc. in the light of the recent CERC orders were revisited. The Commission approved the draft interim PPA between OHPC and GRIDCO for "1998-99 to 2000-01. The Commission's order approving the interim PPA also considered the operating norms relating to OHPC stations, like design energy, debt-equity ratio and return on equity, pricing of secondary energy, O&M

expenses, depreciation, delayed payment surcharge, auxiliary consumption, etc and gave its own observations on each of them for finalization of the long term PPA after hearing various stake-holders. The Commission also scrutinised the proposed PPA on Samal Barrage Small Hydro Electric Project, A review petition of UIHEP PPA was also examined.

Another crown added to the history of power sector reform has been the Pilot Study conducted for determination of technical and non-technical losses in

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the system. Earlier in the tariff order, the Commission had directed the DISTCOs to conduct independent Pilot Studies to measure the distribution loss levels, in response to which, some licensees conducted Pilot Studies and submitted the same to the Commission. The Commission has been laying stress on the loss reduction programmes by the DISTCOs and on subsequent substantial achievement on that front.

The State Government was also approached by the Commission to introduce an Anti -Theft Law in the pattern, of Government of Andhra Pradesh.

One of the objectives of the reform process was to create climate conducive to private sector participation. To achieve this goal predictability of the tariff structure is a prerequisite. The Commission worked out an indicative Multi-Year Tariff Model based on the business plan of licensees and submitted the same to the High Power Committee, Needless to say that the establishment of multi-year tariff parameters will go a long way in avoiding uncertainty and minimizing the business risk.

As usual, the study on Inter-State Comparison of Tariff was updated to incorporate the latest tariff orders of the neighbouring states. Quarterly reviews of status of metering by the DISTCOs continued. A number of seminars/presentations/workshops took place during 2001-02. A training programme for officers of the Commission was arranged under the auspices of Price Waterhouse Coopers.

## **(C) ENGINEERING DIVISION :**

The Engineering Division monitors performance of the utilities under various technical parameters, including license conditions and performance standards. The Division provides vital technical input for grant, revocation, amendment or exemption from license u/s 15 of the OER Act, 1995.

The Engineering Division vets applications for grant of installation of Diesel Generating Sets and Captive and Co-generation Power Plants and for sale of surplus power to third party consumers, It monitors quality of power supply and a number of outages through Distribution System Interruption Reliability Indices known as SAIFI, CAIDI and SAIDI. It also keeps track of disposal of consumer complaints through quarterly reports and Bijuli Adalats conducted by DISTCOS.

### **Activities for the year 1999-2000**

- Overall Performance Standard of four Distribution Licensees was approved and issued on 19.6.2002.(License Condition No.20.5)
- Fresh distribution System Planning and Security Standards and Operating Standard were approved for four Distribution Licensees and issued on 15.3.2000. (License Condition No.20.2)
- ' Consumer Rights Statement was approved & issued on 18.1.2002 (License Condition No. 18.3)
- Code of Practice on Payment of Bills was approved & issued on 18.1.2000. (License Condition No. 18,3)

- Complaint Handling Procedure was approved & issued on 18.1.2000. (License Condition No. 18.3)
- New Practice direction for obtaining consent for CPP/Generating Station was framed and issued on 27.9.99. (Ref. Sec, 21 (3) of the OER Act, 1995). Also DISTCOs were given authority on 18.5.99 to shut-down the unauthorized generating stations. (Ref. Sec.45 of the Electricity (Supply) Act, 1948)
- Commission conducted a suo motu proceeding and gave orders on 4.8.99 to GRIDCO/CESCO for improvement of power supply in Cuttack/Bhubaneswar.
- The breakoown of 220 KV Bhanjanagar-Chandaka EHT line on 23.5.99 was investigated by the Commission and GRIDCO was directed on 23.10.99 to take corrective steps.
- Consent to 63 nos. of generating stations/ CPP was given.

#### Activities for the year 2000-01

- **The Overall Performance Achievement** of DISTCO's for 99-00 was published on 19.1.2001 to fulfill the statutory obligation of the Commission in public interest. Order on **Transmission Planning Proceeding** was pronounced on 17.2.01. The division monitored GRIDCO's compliance to the said order. The **Annual Statement of System Performance** report for 99-00 (Ref. Condition 20 of Transmission and Bulk Supply Licence on Standards) of GRIDCO was published on 24.1.2001.
- **Distribution System Interruption Reliability Indices** in the form of SAIDI/SAIFI/CAIDI (approved and issued on 15.3.2000 vide Licence Condition No. 20.2 on Standards) were obtained from DISTCOs, and analysed with the aim of **refinement of interruption data and setting future**

**bench marks.** Major investment to the tune of Rs. 51.35 crore was sanctioned to CESCO on 19.4.2000 for restoration of cyclone ravaged power system.

- Consent to 69 DG Sets, 3 CPP/Co-Gen Plants was granted. **Revised Complaint Handling Procedure** incorporating the mechanism of **Bijuli Adalat** was approved and issued on 12.01.2001 [Ref-Licence Condition 18.3.]. ^

### Activities for the year 2001-02

- **A procedure on Power, Supply to Multistoried Buildings/Housing Complex/Residential Colonies etc. was approved on 11.7.01, and** implemented with effect from 19.7.01. The practice direction in case of Grant of **Temporary Connection to Consumers** was formulated, which was approved on 22.5.02, and become effective form 1.7.02.
- A practice direction for **Grant of Consent for setting up Generating Stations including CPPs** was revised on 13.2.02 and made effective from 1.4.02(further revision was made effective from 20.4.02). **Overall Performance Achievement** of DISTCOs for 2000-01 was published on 22.3.02 and 31.3.02 to fulfil statutory obligation in public interest.
- Director (Engg) & JD (Engg) made an on-the-spot inquiry at Chainpal Substation on 12.11.01 for failure of Bulk Oil Circuit Breaker. **They also** inspected Meramundali Sub-station on 13.11.01 for monitoring progress thereof. Consent for 73 DG Sets and one Co-Generation CPP (2x68.75MVA) was granted. **Annual Statement of System Performance** report for 00-01 (Ref. Condition 20 of Transmission and Bulk Supply License on standards) of GRIDCO was published on 16.12.2001.

**(D) ADMINISTRATION DIVISION :**

The Administration Division provides support to the Commission in recruitment of executive and non-executive staff and overseeing operational needs such as fiscal services, budget, information technology, purchase and procurement, maintenance and care taking, training and performance appraisal.

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**Activities for the year 1999-2000**

This year saw the exit of two of the pioneering Commissioners : Shri A.R. Mohanty, the first Commissioner of India retired from OERC in June 1999 and Shri S.C. Mahalik, Chairman, left us in March 2000. Shri D.K. Roy, who was a Member of the Commission, became Chairman from June, 1999.

**RIMS Development and Installation**

ORACLE 8.0 was installed on the Compaq server and Developer 2000 was loaded on the Pentium-based nodes in May 1999. This is the minimum configuration required for installation of Regulatory Information Management System (RIMS). RIMS is an integrated information system developed by M/s. MECON, Ranchi. The major objectives of this system are as follows :

To monitor the performance of various licensees (i.e. Bulk Supply, Transmission and Distribution and Retail Supply) on time-based criteria laid down in the license conditions/standards/ regulations.

To assist in approval/modification of tariff for the ensuing year, To improve the quality of

supply and consumer service.

The basic framework of this MIS has already been developed, installed in OERC server and demonstrated to the concerned officers of OERC, GRIDCO, CESCO, NESCO, WESCO and SOUTHCO in July, 1999. RIMS development was completed in August 31,1999 and implemented at OERC.

#### Internet Access and Website updation

- i) Internet connectivity was commissioned through DOT, Bhubaneswar in February, 1999. All the Pentium/windows based machines were configured and provided internet connectivity using a proxy server in June 1999.
- ii) A massive up-dation of the OERC web-site was undertaken to  
Include the 'Distribution License' and other new documents approved by the Commission.  
Incorporate the 'Cause List' for the ensuing month. Include orders for new cases.

#### Training of Personnel

- i) Shri S N Ghosh, Jt.Dir(T/Engg.) and Shri K Biswal, Sr.Financial Analyst attended training programme at ASCI (Administrative Staff College of India) Hyderabad on '**Tariff Analysis and Rate meeting in an Regulatory Regime**'.
- ii) Shri N C Mohapatra, Jt.Director(Law) and Shri D K Mohanty, Asst. legal Adviser attended training programme on '**Information Tecnology and Financial aspects for non Finance Officers**' at Gopabandhu Academy of Administration.

iii) Shri K L Panda, Dy. Director (Engg.) attended a training programme on '*Captive Power and Industrial Co-generation*' at ASCI, Hyderabad.

iv) • *Oracle and Developer 2000 training* was given to Shri S.C. Biswal, Dy. Director (IT), Shri Antaryami Sahoo, Dy. Director (T/E) and Shri Ajoy Sahu, Accounts Officer during April to June 1999. It is envisaged that RIMS which is on the same platform would be maintained in-house by these trained professionals.

Visits on Conference, Workshops, Seminar etc i) **Shri S C Mahalik**, Chairman visited Washington DC and Vail Colorado,

USA on Energy partnership programme of US Energy Association.

ii) A delegation from OERC comprising of officers, Shri S N Ghosh, Jt. Director (Tariff/Engg.), Dr. M S Panigrahi, Sr. Economic Analyst, Shri K Biswal, Sr. Financial Analyst, Shri S M Pattnaik, Jr. Financial Analyst, Shri Antaryami Sahoo, Dy. Director (Tariff/Engg.), Dr (Mrs) A. Dash, Dy Director (Tariff/Eco) visited Washington DC and Denver Colorado, U.S.A on Energy partnership programme sponsored by U.S.E.A.

iii) Shri D K Roy Member attended a seminar on '*Infrastructure Regulation and Reform conducted by SAFIR*' at Agra, U.P

iv) Shri B.K.Sahoo Director (Engineering) attended a conference on '*Renewable Energy policy statement -Brainstorming meet of stake holders*', at New Delhi,

### Crisis Management

The super-cyclone in October 1999 damaged many of the OERC computers, printers and UPS. However, the IT services were normalised within five days due to extensive effort by this division.

### Budget and Expenditure

A total budget grant of Rs.117.51 lakhs was allotted to the Commission sum of which a sum of Rs.112.59 was spent on salaries and other establishment expenses.

#### **Activities for the year 2000-01**

Shri Harishankar Sahu, former Managing Director of the OHPC, joined OERC as, a Commissioner on 6 May, 2000.

Shri Subhendra Mohanty, Orissa Judicial Service who had joined the Commission on deputation as Advisor reverted back to his parent cadre on 1-1.09.2000.

Shri Biswajit Misra, Deputy Secretary to Govt., Dept. of Energy joined the Commission as Secretary on deputation w.e.f. 15.01.2001,

This year saw strengthening of the existing infrastructure by way of procurement of a 7.5 KVA UPS (Uninterruptible Power Supply) of Numeric make, Dragon's Speech Recognition software, upgradation of computers and a few furnitures and fixtures such as filing cabinets, computer tables etc.

A total grant of Rs.1.22 crore was allotted to OERC out of which an amount of Rs.1.06 crore was spent and the remaining amount was surrendered.

#### **Activities for the year 2001-02**

Shri D.K. Roy, ex-Chairman of OERC retired on 31<sup>st</sup> **July 2001** after completing his full term of five years.

OERC had all three Commissioners' post filled up after almost a gap of two and half years. Shri D.G.Sahoo, formerly of the Indian Audit & Accounts Service, joined as Chairman on 1st November 2001. Shri B.C. Jena, former Chairman-cum-Managing Director of GRIDCO, joined OERC as Commissioner on 20th August, 2001.

Shri M.C. Rath, O.S.J.S joined the Commission on 20.07.2001 as Director (Law). Shri D.K. Mohanty, Asst. Legal Adviser, who was on deputation from Orissa Judicial Service reverted back to his parent cadre.

This year was marked by a sharp decline in annual budget allotment to **OERC**. Against the proposed budget of Rs.206 lakh, only Rs.102 lakh was allotted to us. Notwithstanding severe pruning, of the budget, with strict financial control and innovative approach, the division managed to run the day-to-day affairs with a great deal of difficulty.

**(E) LAW DIVISION :**

The Law Division deals with all legal matters pertaining to the functions of the Commission. Scrutinization of applications/replies/objections, rendering necessary legal advice on various matters, liaising with legal counsel, drafting and vetting of regulations, practice directions, notifications, maintaining relevant legal information, participating in Commission's proceedings and taking care of the cases, instituted in the High Court against the Commission are the prime functions of this Division.

**Activities for the year 1999-2000**

During the FY1999-2000, the Commission received notice in sixteen cases (Miscellaneous Appeals & Writs) from the High Court and entered appearance in twelve cases through its Legal Counsel,

This Division took active participation in the preparation and finalization of OERC (Fines and Charges) Regulation, 1999. The said Regulation was published in the Orissa gazette and came into force from 17.9.1999.

The Orissa Transmission and Bulk Supply Licence, 1997 (as amended in 1999), The Orissa Distribution and Retail Supply Licences, 1999 (issued to four Distribution Companies, Complaint Handling Procedure, Code of Practice **on** Payment of Bills and Consumer Rights Statement were examined and vetted.

The division advised and rendered its opinion in legal matters referred to it by the Engineering, Tariff, Secretariat and Administrative Divisions of the Commission. It has examined and scrutinised petitions/replies/objections referred to it for initiation of proceedings before the Commission.

As many as 49 consumer complaints were referred to Grievance Redressal Forum (GRF) during the FY 1999-2000.

Jt. Director (Law) and AssL Legal Advisor underwent training at Gopabandhu Academy of Administration, Bhubaneswar on the subject "Information Technology". The Asst. Legal Advisor also underwent training at Gopabandhu Academy of Administration, Bhubaneswar on the subject "Accounts for Non-Financial Executives". Joint Director (Law) had undergone training on the subject "Electric's for Non-Engineering Professionals" at GRIDCO's Management Training Center, Bhubaneswar. He visited TERI and attended the 1<sup>st</sup> meeting of National Forum of Regulators at New Delhi.

### **Activities for the year 2000-01**

During the FY2000-2001, the Commission received notice in seventeen cases (Miscellaneous Appeals & Writs) from the High Court and entered appearance in twelve cases through its Legal Counsel.

The Hon'ble High Court in Case No.MA-51/2000 while remanding the matter directed the Commission to re-determine Bulk Supply Tariff.

The Hon'ble High Court in Case No.MA-285/2000 (NESCO -Vrs- OERC), MA 298/2000 (Ferro Alloys Corporation Ltd. -Vrs- NESCO), MA-299/2000 (TISCO-Vrs- NESCO), MA-300/2000 (Ispat Alloys Ltd. -Vrs- NESCO) remanded the matter and directed the Commission to consider the approval of the special agreement for Export Oriented Industries.

The Division has rendered aid and advice to the other Divisions for finalisation of the following documents/cases:

- (a) The Consumer Rights Statements. (Amendment - 2000)
- (b) Code of Practice on payment of Bills. (Amendment - 2000)

- (c) Procedure on Payments of Bills. (Amendment - 2000)
- (d) Overall performance Standards. (Amendment - 2000)
- (e) Practice direction for obtaining consent for CPP/Generating Stations. (Amendment - 2000)
- (f) Complaint Handling Procedure (Revised) of Distribution Licensees incorporating the provision for Bijili Adalat.

The Hon'ble High Court of Orissa in its Order No.817 dated 24<sup>th</sup> July, 2000 u/s 3(2) of Oath Act, 1969 has empowered the Joint Director (Law), OERC to administer Oath & affirmation for the purpose of affidavits to be used in the

judicial proceedings before the Orissa Electricity Regulatory Commission.

/ Commission has established an in house Grievance Redressal Forum (GRF) for amicable settlement of disputes between Consumers and Distribution Licensees through conciliation.

The GRF **consists of the** following officers:

- i) Director (Tariff) - Chairman
- ii) Joint Director (Engg) - Member
- iii) Joint Director (Law) - Member - Convenor.

During the year under report as many as 24 cases were referred to GRF and all the cases were disposed of.

The Division took active participation in organizing a two day round table discussion on Electricity Bill, 2000 (On 30<sup>th</sup> June and 1<sup>st</sup> July, 2000) at OERC. Eminent personalities of the Power Sector participated in the discussion **and** offered their valuable opinions on the subject.

Joint Director (Law) attended a two-day training programme on "Alternative Dispute Resolution", conducted by High Court Bar Association at Cuttack.

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### **Activities for the year 2001-02**

During the FY2001-02, the Commission received notice in eighteen cases (Miscellaneous Appeals & Writs) from the High Court and entered appearance in thirteen cases through its legal counsel.

The Division aided and advised the other Divisions for finalisation of the following' Documents.

i) OERC Distribution (Condition of Supply) Code (Amendment), 2001. ii) Grant of consent for setting up Generating Stations including CPP.

(Revised 2002) iii) Procedure for Power Supply to Multistoried Building/Housing

Complex/Residential Colonies.

The Law Division initiated the proposal for necessary amendment in the existing law relating to power theft in the pattern of Andhra Pradesh and Karnataka Governments.

During the year under report as many as 17 cases were referred to GRF and all the cases were disposed of.

Director (Law) in addition to his own duties took charge of public relations/ consumer affairs & library.

Director (Law), Joint Director (Law) and Information Officer participated in the Regulatory Training Programme conducted by Price Water House Coopers at Bhubaneswar.

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