

**ORISSA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
UNIT-VIII, BHUBANESWAR-751 012**

**Present : Shri H.S. Sahu, Member
 Shri B.C. Jena, Member**

Case No.22 of 2001

Chief Engineer & Basin Manager,
Baitarani, Subarnarekha and Budhabalanga Basin,
Laxmiposi **Applicant**

- Vrs. -

Managing Director, NESCO, Balasore **Respondent**

For Petitioner : None

For Respondent: Mr. B.K. Nayak, Advocate

Date of argument : **03.10.2001**

Date of Order : **30.10.2001**

ORDER

1. The Executive Engineer, Baitarani, Subarnarekha and Budhabalanga Basin, Laxmiposi, Baripada has requested OERC to issue direction to NESCO to take over the electrical installations along with its accessories in respect of Subarnarekha Irrigation Project (S.I.P.), Laxmiposi, Baripada. It has been submitted by the applicant that that the S.I.P. had availed power supply from OSEB since 1991. This project authorities have constructed electrical lines and installed the equipments at the project cost and supply was given by erstwhile OSEB at three supply points. Now the project is no longer deploying any machineries at the sites of the work, but the energy is used mostly for residential purpose of the present employees, maintenance of offices and water supply of the project. Owing to the enhancement of the electricity charges, the cost of electricity is much higher. The employees are also given energy at concessional

rates. Now Govt. is unwilling to pay the huge cost of energy bill and had instructed them to hand over the lines with its accessories to GRIDCO/NESCO authorities for providing individual connection to the employees and collect charges from them directly. He has therefore requested the Commission to direct NESCO to take over the electrical installations along with accessories.

2. In reply to the above, NESCO has submitted that the Electrical lines and sub-stations remain dispersed in various project sites serving different categories of consumers. In case, the whole network is taken by NESCO, it will not be commercially viable for the company. As the work in S.I.P. is not completed and also since there is no provision for taking over the electrical installation spread over the entire project area and in different locations as per the signed Agreement dt.18.07.91, NESCO is not agreeable to take over the electrical network of the project. Further NESCO also pointed out several deficiencies in the existing system which would call for large investment.
3. We have examined the matter in detail. The Agreement had been executed on 18.07.91 between erstwhile OSEB and S.I.P. for supply of power for a contract demand of 723 KVA/650 KW for the purpose of construction of S.I.P. The consumer petitioner is availing the single point supply and is charged under the G.P. tariff. The said agreement is in operation till date. The project work still continues. As revealed from the single line diagram furnished by the Project Authorities, different colonies such as Laxmiposi colony and other two colonies are situated in remote places and require uninterrupted power supply. The supply is being used for combined purposes.
4. The Regulation has been framed with a very clear objective that in campuses where there is a mixture of loads like domestic, commercial establishment, water supply points, clubs, offices, workshops, etc. and providing service connection to individual consumers from the supply line of the licensee is directly not available due to the absence of a frontage or a public path way, in such cases a composite tariff is taking care of these loads. The arrangement was that the owner of the

campus will avail power supply at a single point, operate & maintain the system and be responsible for supply to individual consumers within the campus. With this in view, the agreement in the past has been executed for a single point bulk supply for the entire project area.

5. There is no provision either in General Conditions of Supply Regulation framed by erstwhile OSEB or in the OERC Distribution (Conditions of Supply code), 1998 to take over the distribution network within the project area by the Distribution company. NESCO has also indicated that taking over the electrical installations will not be commercially viable for the company.
6. In view of the reason stated above, Commission is not in favour of directing NESCO to take over the electrical installations along with its accessories in respect of S.I.P., Laxmiposi, Baripada.
7. However if the project authorities feel that the project work is almost complete, they are at liberty to approach NESCO for reduction of contract demand after justifying their load position.
8. NESCO is advised to take immediate steps on this account after receipt of the application from Chief Engineer & Basin Manager, Baitarani, Subarnarekha & Budhabalanga Basin, Laxmiposi.

(B.C. JENA)
MEMBER

(H.S. SAHU)
MEMBER