

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

Present : **Shri B. K. Das, Chairperson**
Shri K. C. Badu, Member
Shri B.K. Misra, Member

CASE NO. 146 OF 2009

Date of Hearing : **18.02.2010**
Date of Order : **20.03.2010**

IN THE MATTER OF : An application of the OPTCL for approval of Annual Revenue Requirement and Fees and Charges for State Load Despatch Centre (SLDC) for FY 2010-11.

ORDER

PROCEDURAL HISTORY: (Para 1 to 13)

1. The Orissa Power Transmission Corporation Limited, Bhubaneswar (for short OPTCL), a Govt. Company registered on 29th March, 2004 under the Companies Act, 1956 has been carrying on the business of transmission of electricity within the State of Orissa. It has also been notified as the State Transmission Utility (STU) under Section 39 (1) of the Electricity Act, 2003 “hereinafter referred to as “the Act”. GRIDCO which was both the Bulk Supply and Transmission Licensee under the Orissa Electricity Reforms Act, 1995 had ceased to be a supply licensee and had become only a bulk supply trader under the new dispensation created by the Act, the supply business having been vested with 4 distribution licensees, viz. WESCO, NESCO, SOUTHCO & CESCO (new CESU). As such GRIDCO could no longer carry on both supply and transmission business by virtue of 1st proviso of Section 39 of the said Act. The Transfer Scheme entitled “Orissa Electricity Reforms (Transfer of Transmission and Related Activities) Scheme, 2005” of Govt. of Orissa under Sec.131 (4) of the Act, transferred the erstwhile transmission business along with SLDC functions of GRIDCO with all the assets and liabilities of such business to OPTCL and vested the same with the said STU with effect from 1.4.2005. By virtue of the 2nd Proviso to Sec. 14 of the Act, OPTCL has been a deemed Transmission Licensee under the Act. So far as transmission functions are concerned, OPTCL is now governed by License Conditions set forth in OERC (Conditions of Business) Regulations, 2004, at Appendix 4B issued u/s. 16 of the Act, as modified by Commission’s Order dated 27th October, 2006. By Clause 10(2) & (3) of the said

Orissa Electricity Reform (Transfer of Transmission and Related Activities) Scheme, the State Govt. has expressly notified OPTCL, a Govt. company created for taking over transmission function of GRIDCO, as the State Transmission Utility with effect from 01.04.2005. Moreover, even though by the said Scheme, vide Clause 10(2), the OPTCL was 'notified' as State Transmission Utility it was also empowered to "discharge" the State Load Despatch functions till further orders of the State Govt. This provision as regards 'discharge of State Load Dispatch functions' in the Transfer Scheme was obviously intended to be an interim, temporary and stop-gap measure pending establishment/Notification of a State Load Despatch Centre under Sec.31(1) and the substantive part of Sec.31(2) of the Electricity Act, 2003.

2. As in Section 55 of the Electricity (Supply) Act, 1948 (now repealed), Sections 31 & 32 of the Electricity Act, 2003 contemplate SLDC as an independent *apex* body to ensure integrated operation of the power system in the State. SLDC has been empowered by Section 33 of the Electricity Act, 2003 to give such directions and exercise such supervision and control as may be required for ensuring integrated grid operations and for achieving maximum economy and efficiency in the operation of power system in the State. These are all highly responsible, technical, and *non-commercial* statutory functions conceived by the Electricity Act, 2003 and are entrusted to SLDC to be carried out as an independent apex body. Every licensee including OPTCL and generating companies and generating stations and sub-stations are to comply with such directions, vide Sec. 33(2) and Sec. 40(b) of the Act. Thus, in a sense, SLDC is a technical regulator of OPTCL. At present SLDC has not been organizationally separated from OPTCL which is a regulated entity. This anomaly ought to be removed without further delay. In this context it is noteworthy that under Sec. 31(2) of the Act a government body is supposed to operate SLDC and directions of the State Govt. to such a body are to be confined within the ambit of S.37 of the Act. The State Govt. is advised accordingly.
3. The Act has also provided for financial independence of SLDC under sub-section 3 of Section 32 by way of levy and collection of fees and charges from generating companies and the licensees engaged in intra-State transmission of electricity. Sub-section 2 under section 2 of the Electricity (Removal of Difficulty) Sixth Order, 2005 issued by Ministry of Power (MOP) on dated 08.06.2005 provides that the State Load Despatch Centre may levy and collect such fee and charges from the Licensees using the Intra-State transmission system as may be specified by the State Commission. Apart from the aforesaid statutory provisions the National Electricity Policy (vide Paras 5.3.3 and 5.3.7), OERC (Terms and Conditions for Intra-State Open Access) Regulations, 2005 (vide Reg.7), Orissa Grid Code Regulation, 2006 (vide Regulations 2.2.1.3, 2.2.2, 2.2.4, 2.2.5 and 2.2.6), OERC (Intra-State ABT) Regulations, 2007(vide Regulations 6 and 10), CERC (Open Access in Intra-State Transmission) Regulations, 2008 (vide Regulation 8) point to independent functionality of SLDC.
4. The Commission vide letter No.1313 dated 04.8.2007 issued the following Road Map for implementation of levy of annual fee and operating charges for SLDC functions in Orissa in order to separate SLDC charges from the transmission charges of OPTCL with effect from 01.4.2008 to make SLDC self-reliant.

Table – 1

ROAD MAP		
Agency/Unit	Preparedness Required	Time Limit Proposed by OERC
OPTCL	(a) Transfer of all assets belonging to the Unified State Load Despatch Centre at Mancheswar and Sub-Load Despatch Centres at Bhubaneswar, Meramundali, Jayanagar and Budhipadar with the land, buildings, plant and equipments associated or related to the State Load and Sub-Load Despatch Centres to SLDC to function as an independent autonomous entity under OPTCL (in line with Transfer Scheme, 2005 of Govt. of Orissa).	31.8.2007
	(b) Creation of one new 'Head of Account' for all the following and related expenses of SLDC w.e.f. 01.4.2007. (i) Employee Cost (ii) Administration and General Expenses (iii) Repairs and Maintenance Expenses (iv) Payment of ULDCS charges to PGCIL, and (v) Any other relevant costs and expenses relating to SLDC mentioned in the Road Map approved by the Commission.	31.8.2007
	(c) Filing of Application for approval of Annual Fee and Operating Charges for SLDC functions of Orissa SLDC for FY 2008-09.	30.11.2007
SLDC	(a) SLDC is to be equipped with state-of-the art communication and data acquisition capability to play the pivotal role of an independent system operator.	31.8.2007
	(b) SLDC should have broadly three wings viz. Grid Operation, Commercial and Telecommunication for satisfactory operation of all SLDC functions assigned as per the Act, Codes and Regulations. SLDC should file the Organizational chart before the Commission for SLDC functions as stipulated above through OPTCL for examination and approval of the Commission.	30.9.2007
	(c) Nodal Agency for the purpose of overall coordination for implementation of Intra-State ABT, Intra-State Open Access and operations there under.	15.8.2007
	(d) Collection of data from the generators and DISCOMs on day-ahead basis, communication with ERLDC for Central Power availability, finalization of day-ahead schedules and intimation to all stakeholders for final implementation. Revision of Schedules during intra-day transaction and intimation of such revised schedules to all stakeholders.	15.8.2007

Agency/Unit	Preparedness Required	Time Limit Proposed by OERC
	(e) Establish Energy Billing Centre (EBC) for preparation of monthly State Energy Accounting, weekly UI and Reactive Energy Accounting (both provisional and final) for billing and payment by stakeholders deploying requisite personnel, software and hardware.	31.8.2007
OERC	(a) Design and issue of appropriate tariff formats to OPTCL for filing for Annual Fee and Operating Charges for SLDC for FY 2008-09. (b) Filing of Application by OPTCL for approval of SLDC charges for FY 2008-09. (c) Scrutiny of Application of OPTCL for SLDC charges and seeking of clarification if any. (d) Public hearing on Application of OPTCL for approval of SLDC charges for FY 2008-09. (e) Approval of State Advisory Committee (SAC) of SLDC charges for FY 2008-09. (f) Issue of Order of Commission approving SLDC charges for FY 2008-09.	31.8.2007 30.11.2007 31.12.2007 Jan/Feb.2008 Feb/March,2008 March,2008
Final Implementation	Final Implementation of SLDC Charges (Annual Fee & Operating Charges) payable by Users.	From 01.4.2008

5. OPTCL by a petition dated 13.3.2008 filed before the Commission submitted that it was not in a position to achieve important milestones laid down in the Road Map issued by the Commission on 04.8.2007 for separation of SLDC charges from existing transmission charges of OPTCL and had prayed for deferring for one year the decision of implementation of levy of annual fee and operating charges for SLDC of Orissa. The Commission dismissed the petition, vide Tariff Order dated 20.03.2008 in Case No.62/2007 and, while approving ARR and Transmission Tariff of OPTCL, at Para 239 allowed to include the charges of SLDC functions in the ARR and Transmission Tariff for FY 2008-09 for OPTCL. The Commission vide Para 357 of the said Order directed that the transmission charges for OPTCL would not include the charges of SLDC w.e.f. 01.4.2009.

6. The Commission perused the recommendations of Shri Gireesh B. Pradhan Committee of the Ministry of Power (MOP), Govt. of India, submitted to MOP in August, 2008 especially the recommendation for ring-fencing of Load Despatch Centre to ensure its functional autonomy. The recommendations were as under:

(a) Recommendation 1

The Committee recommends that the LDCs should be ring-fenced suitably to ensure their functional autonomy by taking the following steps:

(i) The Appropriate Government should take suitable steps to facilitate independent functioning of the Load Despatch Centres in line with the Electricity Act, 2003 and National Electricity Policy. To begin with, the State Governments are urged to create a separate representative board structure for

governance of LDCs on the lines of wholly owned subsidiary being created for the independent System Operation of RLDCs and NLDC.

- (ii) The financial accounts should be separated for all LDCs by 31st March 2009 with the appropriate Electricity Regulatory Commissions (ERC) specifying the fees and charges payable.*
- (iii) Capital Expenditure (CAPEX) plans for modernization of all LDCs during 2009-12 should be submitted and the approval of the respective Electricity Regulatory Commission (ERC) should be obtained by 31st March, 2009. The Central Transmission Utility (CTU) and Regional Load Despatch Centres (RLDCs) should extend the necessary assistance to SLDCs in this area.*
- (iv) In the next stage, rolling 5-year CAPEX plans should be prepared by each LDC and got approved by the respective ERCs to take care of the system expansion, associated real-time data requirements as well as technological innovations and obsolescence of control center equipment. ERCs may examine CAPEX proposal considering a shorter life cycle of 7 to 10 years for such equipment.*
- (b) Recommendation 2:
For making LDCs financially self-reliant, the Electricity Regulatory Commissions (ERCs) should recognize the three distinct revenue streams:
 - (i) Fees and charges for system operation*
 - (ii) Tariff for decision support system and IT infrastructure (currently only ULDC tariff)*
 - (iii) Operating charges for scheduling, metering and settlement for market players.**

All Generating Companies and licensees using the services of the LDCs would make all the above payments. In addition the LDCs could provide value added services (studies, manpower development, reports, access to data archives etc.), on chargeable basis.

7. So far, the State Government has not exercised its power under S.31(1) and (2) of the Act to establish a separate and independent entity for operation of SLDC. Hence, by virtue of the 1st Proviso to S.31 (2) of the Act, OPTCL as STU has to “operate” the SLDC for the time being. It is noteworthy that OPTCL as STU has not thereby become owner of SLDC. SLDC should function as an independent autonomous entity within the ambit of OPTCL – the STU to discharge its statutory functions / obligations in accordance with the Act, and Regulations of the Commission. Such as those relating to Intra-State Open Access and Intra-State ABT and provisions under Orissa Grid Code. The Ministry of Power, GoI, by letter dated 04.11.2008 has recommended implementation of Shri Gireesh B. Pradhan Committee on Manpower Certification and Incentives for System Operation and Ring -Fencing Load Despatch Centers. As such it is fit and proper that OPTCL as STU shall collect Annual Fee and Operating Charges for SLDC functions from the various as per S.32(3) of the Act and other sources permissible under law stakeholders and hence the Commission, as in the previous tariff year, has directed OPTCL – the STU vide letter No. Director (Tariff)/365/2009/2508 dated 09.11.2009 to file separate application for ARR and approval of Annual Fees and Operating Charges for SLDC functions for FY 2010-11, in order to provide the necessary finance for the statutory functions of OPTCL-STU under the 1st Proviso to S.31(2) of the Act. It is made clear that this separate finance is being provided to STU for its additional statutory functions under the 1st Proviso to S.31(2) of the Act and is not to be mixed up with OPTCL’s finances as a transmission

licensee. Framing of Regulations under S.32 (3), S.181 (2) (g) by the Commission is now awaiting creation by the State Govt. of an independent body to operate SLDC under S.32 (2) of the Act, and the Commission has, for the time being, adopted the principles of CERC (Fees and Charges of RLDC and other Related matters) Regulations, 2009 as guide- line, in order to provide a separate revenue stream to OPTCL-STU for its SLDC operations.

8. In order to keep separate the functionality of OPTCL-STU in respect of SLDC, the Commission directed OPTCL – the Transmission Licensee to file two separate applications as mentioned below to the Commission by 30.11.2009.
 - (a) An application for approval of ARR and determination of Transmission Tariff for Intra-State Transmission Network of OPTCL for FY 2010-11.
 - (b) An application for approval of Annual Fee and Operating Charges for SLDC functions of Orissa SLDC for FY 2010-11.

It is to be noted that OPTCL's application as per (b) above is not a tariff application under S.62 of the Act. OPTCL filed the application before the Commission on 30.11.2009 for approval of independent SLDC charges for FY 2010-11 and the Commission on 18.2.2010 through a public hearing process heard the said application for levy of annual fee and operating charges for SLDC functions for FY 2010-11.

9. The said application dated 30.11.2009 was duly scrutinized and was registered as Case No. 146 of 2009 and was admitted for hearing. Objections were invited after wide publication of the application in English and Oriya daily newspapers and Commission's and OPTCL's website. In response to the aforesaid public notice of the applicant, the Commission received 9 (nine) nos. of objections/suggestions from the following persons/associations/ institutions/organizations:-

(1) Sambalpur District Consumers Federation, Balaji Mandir Bhawan, Khetrampur, Sambalpur (2) Confederation of Indian Industry, 8, Forest Park, Bhubaneswar (3) Ferro Alloys Corporation Ltd., GD 2/10, Chandrasekharpur, Bhubaneswar (4) Shri R.P. Mahapatra, Plot No.775(Pt.), Lane-3, Jayadev Vihar, Bhubaneswar (5) Utkal Chamber of Commerce & Industry, N/6, IRC Village, Nayapalli, Bhubaneswar (6) Orissa Hydro Power Corporation, Orissa State Police Housing & Welfare Corporation Building, Vani Vihar Chouk, Janpath, Bhubaneswar (7) WESCO, Corporate Office, Burla, Sambalpur (8) NESCO, Corporate Office, Januganj, Balasore (9) SOUTHCO, Corporate Office, Courtpetta, Berhampur. All the above named Objectors were present during tariff hearing except the Objector Nos.2, 4, 7 & 9 but their written submissions are taken into record for considered of the Commission.

After due notice to the Applicant, Govt. of Orissa and the Objectors and in the consultative process, the Commission heard the applicant, objectors, consumer counsel, representative of the State Government on 18.02.2010 and orders as follows:

10. In the last FY 2009-10, the Commission vide order dated 20.3.2009 in Case No.65/2008, approved ARR of Rs.9.66 Crore for FY 2009-10 for SLDC and separated the Operating Charges @ Rs.2000/MW/Month from the Transmission Charges of OPTCL w.e.f. 01.4.2009 for collection from four DISCOMs and other LTOA & STOA customers of the State (under OERC (Determination of Open Access Charges) Regulations, 2006) so as to enable SLDC to function as an independent system operator as recommended by the Gireesh B. Pradhan Committee to the MOP, Govt. of India. The said ARR and Operating Charges for SLDC were to be collected from four DISCOMs and LTOA customers of the State, and indeed by all the

generating companies and licensees engaged in the Intra-State Transmission System and/ or the associated facilities and the services of SLDC i.e. Generators including CGPs, DISCOMs, Traders, Power Exchanges, LTOA & STOA customers (under OERC (Determination of Open Access Charges) Regulations, 2006) as well as the Transmission licensee as the case may be. This was in line with CERC Notification dated 18.09.2009, i.e. CERC (Fees and Charges of RLDC and Other Related Matters) Regulation, 2009 where it is stipulated to collect the RLDC & NLDC charges from all the users who use the Inter-State Transmission Network as well as avail the services of RLDCs & NLDC.

11. In exercise of the power u/s. 94(3) of the Electricity Act, 2003 and in order to protect the interest of the consumers, the Commission appointed Dr. S. Meher of Nabakrushna Choudhury Centre for Development Studies, Chandrasekharapur, Bhubaneswar, as Consumer Counsel for objective analysis of OPTCL's proposal in respect of SLDC's ARR, Fees and Charges for FY 2010-11. The Consumer Counsel submitted its report to the Commission and its representative put forth its analysis and views on the matter in the presence of all the parties present during the proceeding.
12. The date of hearing was fixed and it was duly notified in the leading newspapers mentioning the list of objectors. The Commission conducted a public hearing in its premises and heard the applicant, objectors, consumer counsel and representative of the State Government on 18.02.2010.
13. The Commission convened the State Advisory Committee (SAC) meeting on 18.02.2010 to discuss about the ARR application and levy of Annual Fee and Charges for SLDC functioning for FY 2010-11. The Members of SAC made many valuable suggestions on the proposal of OPTCL and did not offer any specific suggestion on SLDC ARR and levy of Annual Fee and Charges for SLDC functions for FY 2010-11.

OPTCL'S PROPOSAL FOR ARR & LEVY OF ANNUAL FEES & CHARGES FOR SLDC FUNCTIONS FOR FY 2010-11 (Para 14 to 48)

14. As per the direction vide letter Dt.2508 dated 09.11.2009 of the Commission, application for approval of Annual Revenue Requirement and Fees & Charges for SLDC functions for FY 2010-11 was prepared by OPTCL in line with the provisions mentioned in CERC (Fees and Charges for RLDC & other related matters) Regulation, 2009 and considering the following recommendation of the MOP Committee Report.
 - SLDC is to be equipped suitably to play the pivotal role of an Independent System Operator (ISO).
 - Power system operation is the core activity of LDCs. Efficient load despatching also requires a deep understanding of Transmission, Generation and Distribution technology. In view of the above, the executives shall be from electrical engineering discipline. Efforts to be made to supplement them with interdisciplinary learning and development.
15. In this regard OPTCL has entrusted M/s. NPC for preparation of a report on the manpower structuring of OPTCL as well as of SLDC. The above consultant has submitted a report, which is yet to be approved by OPTCL.
16. The proposed functional manpower organizational structure for each category is as under:

Keeping in view, the various provisions of the Act and the stipulations of the National Electricity Policy, this Para addresses the issues related to the organizational development at the State Load Despatch Centre of Orissa to facilitate independent system operation in order to ensure an efficient, reliable and secure power system operation and merit order dispatch of electricity.

Proposed Organizational Structure and their Functions

17. The SLDC function shall be headed by a Chief Load Despatcher in the rank of Director. He shall be assisted by two Sr. Load Despatchers one in the rank of CGM and the other in the rank of SGM. For technical assistance one Executive Assistant in the rank of DGM, AGM & Manager respectively is being attached to the above officers. Besides one no. of Private Secretary shall be attached to each of the above officers. All technical function heads shall be reporting to their respective Sr. Load Dispatchers.

Grid Operation headed by CGM (Grid Operation).

18. The details of manpower and functions under CGM (Grid Operation) are given in the table below.

Table – 2

Work	Function	Manpower
A. Real time operation headed by GM, Operation:		
Real Time Operation	<p>Generation Despatch</p> <ul style="list-style-type: none"> ▪ Real time generation dispatch as per merit ▪ Scheduling revisions <p>Transmission Despatch</p> <ul style="list-style-type: none"> ▪ Network monitoring and control ▪ Congestion management ▪ Voltage & VAr control 	<p>16 Nos. Executives (4 Nos. of Executives in each group consisting of 1 No. DGM, 1 No. AGM, 1 No. Manager & 1 No. Dy. Manager (4 Groups) and 3 No of Manager for Sub-LDCs (1 for each)</p>
Operational Planning	<ul style="list-style-type: none"> ▪ Operational System Analysis ▪ Shutdown planning ▪ Operational report preparation ▪ Management of data base ▪ Transmission/Generation availability Monitoring ▪ EMS 	1 No Manager and 2 No of Dy. Managers (3)
B. Operation services, MIS & Regulatory Affairs headed by G.M. (OS, MIS & RA) :		
Operation Services Group	<ul style="list-style-type: none"> • Demand forecast- Short term (Day ahead & Month ahead) • Day ahead scheduling of generation and optimization, in coordination with the State generators, ISGS allotment and neighboring utilities such as CGP, DISCOMs, etc. • Scheduling of drawl of DISCOMs 	1 No AGM, 1 No Manager & 1 No Dy. Manager (3)

Work	Function	Manpower
	<ul style="list-style-type: none"> • Maintenance of Historical data and database. • Short term transaction (Open Access) coordination with traders • Off-line load flow study for outage planning and real time operation • Network Security and disturbance Analysis • Protection coordination • Implementation plan for intra state ABT 	
MIS & RA	<ul style="list-style-type: none"> • Data Archiving & Management report preparation • System Study • Incident Reporting & Disturbance Analysis • Meetings • Technical Library • OERC Reporting • ARR • Regulation and Regulatory matters 	1 No AGM, 1 No Manager & 1 No Dy. Manager (3)

Commercial Group headed by Sr. General Manager (Commercial)

19. The details of manpower and functions under Sr. General Manager (Commercial) are given in the table below.

Table – 3

Work	Function	Manpower
A. GENERAL MANAGER (Commercial, TS, C & M, SCADA):		
Commercial Group	<ul style="list-style-type: none"> • Reviewing Long term contracts and Short term contracts • Energy meter data collection & compilation • Review of metering arrangement for Short-term contracts. • Development of Billing & Settlement procedures and keeping of accounts of energy transacted. • Preparation of UI bill for intra state utilities in case of implementation of Intra state ABT. • Preparation of State Energy Accounting and Bills for State Distribution Utilities. 	<ul style="list-style-type: none"> • 1 No AGM, 2 Nos. Managers & 1 No Dy. (4)

Work	Function	Manpower
Technical Services / Contract & Material Management Group	<ul style="list-style-type: none"> • AC/DC auxiliary supply • Diesel generator operation and maintenance • UPS, battery, battery charger maintenance • Safety • Civil works maintenance. • Air conditioning plant maintenance. • Award of contract and contract execution • Material management and maintenance of stores. 	<ul style="list-style-type: none"> • 1 No. AGM, 1 No. Manager & 1 No. Dy. Manager
SCADA/EMS Group	<ul style="list-style-type: none"> • Monitoring of communication link availability such as Optical Fiber, MW, PLCC etc.(to be maintained by STU) • Monitoring of RTU availability in coordination with STU Telecom Dept. • SCADA System (hardware) maintenance. • To develop suitable MIS for grid monitoring. • Maintaining Historical database. • Interface with ULDC project. • To build up accounting oriented information system. 	<ul style="list-style-type: none"> • 1 No. DGM, 1 No. AGM, 1 No. Manager & 1 No. Dy. Manager

SUPPORT SERVICES FOR SLDC UNDER DIRECTOR , SLDC

20. The functions directly controlled by Director, SLDC are given in the Table below.

Table - 4

A. HUMAN RESOURCES MANAGEMENT	<ul style="list-style-type: none"> • Manpower planning, Training, Budgeting & placement • Personal services (Leave / Loan / Recoveries etc) • Installation Security and safety • Human resource development • Administration. 	<ul style="list-style-type: none"> • 1 No Asst. Manager
B. FINANCE	<ul style="list-style-type: none"> • Drawing and Disbursing functions • Auditing • Reconciliation • Maintenance of asset registers • Budget • Accounts 	<ul style="list-style-type: none"> • 1 No Assistant Manager, 1 No Junior Manager

21. **Total Staff Requirement for SLDC:**

A. Executive Staff Requirement:

Table – 5

Sl. No.	Category of Posts	Total Nos.
1	Director	01
2.	Sr. Executive Assistant to Director	01
1.1 1.1 GRID OPERATION		
REAL TIME OPERATION		
3	CGM (Elect)	01
4	General Manager (Elect)	01
5	DGM (Elect)	04
6	AGM (Elect)	04
7	Manager (Electrical)	07
8	Deputy Manager (Electrical)	04
OPERATIONAL PLANNING		
9	Manager (Electrical)	01
10	Deputy Manager (Electrical)	02
1.2 OS, RA & MIS		
11	General Manager (Elect)	01
OPERATION SERVICES		
12	AGM (Elect)	01
13	Manager (Electrical)	01
14	Deputy Manager (Electrical)	01
MIS & RA		
15	AGM (Elect)	01
16	Manager (Electrical)	01
17	Deputy Manager (Electrical)	01
1.3 COMMERCIAL SERVICES		
18	Sr. General Manager (Elect)	01
COMMERCIAL, TS, C&M		
19	General Manager (Commercial, TS, C&M)	01
COMMERCIAL		
20	AGM (Elect)	01
21	Manager (Electrical)	01
22	Deputy Manager (Electrical)	02
TECHNICAL SERVICES / CONTRACT & MATERIAL MANAGEMENT		
23	AGM (Elect)	01
24	Manager (Electrical)	01
25	Deputy Manager (Electrical)	01
SCADA		
26	DGM (Telecom)	01
27	AGM (Telecom)	01
28	Manager (Telecom)	01
29	Deputy Manager (Telecom)	01
1.4 HRM		
30	Assistant Manager (HR)	01

Sl. No.	Category of Posts	Total Nos.
1.5 FINANCE		
31	Assistant Manager (Finance)	01
32	Junior Manager (Finance)	01
	TOTAL EXECUTIVES	49

B. Non-Executive Staff Requirement:

Table – 6

Sl. No.	Category of Posts	Total Nos.
1	Sr. PS to Director	01
2	PS to CGM (GO)	01
3	PA to Sr. GM (Commercial)	01
4	JM (HR) / Sec. Officer	02
5	Accountant	01
6	Gr. I Assistant	01
7	Gr. II Assistant	02
8	L.D. Asst	03
9	Steno / Typist/ Comp. Asst.	05
10	Store Keeper	01
11	Record keeper	01
12	Fax Operator	05
13	Technician Electrical	01
14	Attendant /Messenger	10
15	Driver	02
	TOTAL NON-EXECUTIVES	37

Total Staff Requirement for SLDC=A+B =49+37=86 Nos.

Though the SLDC has proposed 86 posts, as stated ERLDC in Para 154 of the ARR Order of SLDC for to the 2009-10 the total staff strength shall not exceed 81 which consists of 42 Executive posts and 39 non-Executive posts as in case of ERLDC.

22. Computation of Annual Charges

As per the CERC Regulations, the annual charges shall consist of the following components:

- a. Return on Equity
- b. Interest on Loan Capital
- c. Depreciation
- d. Operation & Maintenance expenses excluding Human Resource expenses
- e. Human Resource expenses
- f. NLDC charges & Corporate office expenses
- g. Interest on working capital

23. Since no equity has been invested by SLDC, there is no outstanding loan on SLDC, and SLDC is not liable to pay the NLDC charges, so item (a), (b) & (f) are not considered in the ARR.

24. Provisions for Facility Management Services (FMS) for providing IT support, Website Charges for maintenance of SLDC website, Local Area Networking (LAN), Wide Area Network (WAN) for collection of metering data from the grid sub-

stations, Precision AC for data centre (EASSC), provision of UPS, Enterprise Resource Planning (ERP) solutions have been kept in the Capital Expenditure (CAPEX) plan.

25. Besides the above, provision for improvement of residential building, drainage & sewerage system and other civil works maintenance has also been kept under CAPEX plan.

Computation of item-wise Annual Revenue Requirement for FY 2010-11

26. **Annual Charges:** The annual charges of State Load Despatch Centre consist of the following components.

- (a) Return on equity;
- (b) Interest on loan capital;
- (c) Depreciation;
- (d) Operation and maintenance expenses excluding human resource expenses;
- (e) Human resources expenses;
- (f) Interest on working capital;

27. **Return on equity:** Since no equity has been provided, there is no return on equity.

28. **Interest on loan capital:** There is no outstanding loan /loan proposed for SLDC expenditure, hence interest on loan capital is Nil.

Depreciation:

29. Depreciation for the assets in the Unified Load Despatch Centre and Offices in SLDC has been computed as Rs.27.802 lakh as per CERC Regulation. Depreciation towards recovery of capital expenditure has been proposed as Rs.578.1 lakh considering all amounts to be recovered during the financial year cumulative depreciation cost computed as Rs.605.902 lakh. The details of depreciation are shown in Table below:

**Table No – 7
Statement of Depreciation**

(Rs. lakh)

Item	2010-11
Recovery of Capital Cost (Amount to be recovered during the year)	578.100
Depreciation on existing assets	27.802
Cumulative depreciation on capital recovery and existing assets	605.902

Operation and Maintenance Expenses

30. Operation and maintenance expenses excluding human resources expenses for FY 2010-11 has been computed as **Rs.201.800 lakh** considering the R&M expenditure proposed to be incurred for FMS, rent of lease lines, Web site charges, SCADA equipments, IT equipments and civil work maintenance of office building and colony etc.

Administration & General (A&G) Expenses

31. A&G expenses considering Office expenses, Training and certification programme of operators and executives, professional charges, communication system, gardening, meeting expenses etc. of Rs.112.040 lakh for FY 2010-11.

Human Resource Expenses

32. Human resources expenses have been computed as Rs.449.45 lakh, considering the organisational structure proposed in line with ERLDC structure.

Interest on Working Capital

33. The interest on working capital computed as Rs.121.41 lakh as per CERC Regulation considering 12% rate of interest. The details are shown in Table below:

Table - 8
Calculation of Interest on Working Capital

Sl. No.	Particulars	Amount (Rs. lakh)
1	O & M Expenses excluding Human Resource Expenses (7-A) & including A & G Expenses	313.84
2	Human Resource Expenses (7-B4)	449.45
3	Receivables (2 months of SOC & MOC)	248.43
4	Total Working Capital	1011.72
5	Rate of Interest	12.0%
6	Interest on Working capital	121.41

34. **Capital Expenditure (CAPEX) Plan:** The capital expenditure proposed includes Procurement of Computers, LCD projector, Precision AC for EASS centre, UPS, Photo Copier, Fire fighting equipments, Replacement of VPS, Hiring of BSNL line for secondary communication link to three nos. data hub stations (Sub-LDCs), establishment of WAN for collection of metering data from the DISCOMs inter connection points, ERP Licensing, ERP implementing & Oracle user license etc. The CAPEX Plan costing Rs.578.10 lakh is proposed to be incurred during the implementation period i.e. FY 2010-11.
35. **Compensation Structure for SLDC personnel:** The Recommendation No. (4) in Clause 6.4 of Report of the Committee on “Manpower, Certification and Incentives for System Operation and Ring fencing Load Despatch Centres” has envisaged that the highly specialized and technical nature of SLDC functions necessitate a suitable compensation structure to attract and retain talent. The Committee recommended the compensation structure, innovative incentive schemes for higher learning and monetary incentives based on their ratings. Hence, the Compensation Structure for SLDC personnel has been projected as Rs.0.60 lakh for FY 2010-11(30% of salary for executives).
36. **SLDC Assets:** Pursuant to the Transfer Scheme of 2005 as Notified by Govt. of Orissa, OPTCL- the State Transmission Utility has been vested with State Load Despatch functions until further orders of the State Govt. Pursuant to the said Notification, the said vesting is with effect from 01.04.2005. The opening balance sheet of OPTCL as on 01.04.2005, which includes the assets of SLDC, is also vested with OPTCL as per the approval of the State Govt. The transfer value of the aforesaid assets has been made based on the available records and on a provisional basis which in due course will be finalized. The figures given in the ARR are therefore, provisional.

Summary of Annual Revenue Requirement of SLDC for recovery through Annual Fee and Charges for FY 2010-11

Table - 9

Sl. No.	Item	Proposed Expenses (Rs. Lakhs)
1	Employee Cost including Compensation	449.450
2	Repair & Maintenance Cost	201.800
3	A&G cost	112.040
4	Interest on Loan	0.000
5	Interest on Working Capital	121.410
6	Depreciation (Including Capital Recovery Cost)	605.902
7	Contingency Reserve	0.000
8	Bad & Doubtful Debt	0.000
9	Reasonable Return	0.000
	Total	1490.602

Determination of the Annual Charges

37. The Annual Charges for SLDC have been computed as per provisions in Regulation 20, 21, 22 & 23 of CERC (Fees & Charges of RLDC & other related matters) Regulations, 2009 as per instruction issued in OERC letter no. 2508, dtd. 09.11.2009. The details are as under:
38. The Annual charges shall comprise of
- A) System Operation Charges (SOC) i.e. 80% of Annual charge
- B) Market Operation Charges (MOC) i.e. 20% of Annual charge
39. **System Operation Charges (SOC)** shall be collected from the users in the following ratio
- Intra-State Transmission Licensee-10% of the SOC.
 - Generating Company & Sellers - 45% of the SOC on the basis of Installed Capacity or Contracted Capacity
 - Distribution Licensee & Buyers- 45% of the SOC in proportion to the sum of their allocation & Contracted Capacities
40. **Market Operation Charges (MOC)** shall be collected equally from the DISCOMs and Generating Companies apportioning to the entitlement and installed Capacity/ Contracted Capacity.
41. OPTCL has proposed for recovery of Annual Fixed Cost (AFC) of Rs.1490.602 lakh through SOC & MOC as per CERC 2009 Regulation.
- a. System Operation Charges (SOC) (80% of AFC) – Rs.1192.478 lakh
- b. Market Operation Charges (MOC)(20% of AFC) – Rs.298.120 lakh
42. **System Operation Charges**
- System Operation Charges (SOC) of Rs.1192.478 lakh shall be collected from the following stakeholders as under:
- a. Generating Stations & Sellers @ 45% of SOC... Rs.536.615 lakh

- b. DISCOMs & Buyers @ 45% of SOC... Rs.536.615 lakh
- c. Intra –State Transmission Licensee @ 10% of SOC- Rs.119.248 lakh

43. **Recovery of System Operation Charges**

- The installed capacity of all generators and CGPs has been assessed as 4001.50 MW. SOC of Rs.536.615 lakh/annum and Rs.44.718 lakh/month have been apportioned to each generator/CGP in proportion to its installed capacity as shown in Table below.

Table- 10

Apportionment of Annual & Monthly SOC Charges amongst Generating Stations & Sellers

Generating Company/Sellers	Installed capacity	Total Amount (Annual)	Total Amount (Monthly)
OHPC	2027.5	271.895	22.658
OPGC	420	56.323	4.694
TTPS	460	61.688	5.141
OPCL	20	2.682	0.224
Meenakshi	37	4.962	0.413
NALCO	100	13.410	1.118
IMFA	60	8.046	0.671
HINDALCO	15	2.012	0.168
RSP	5	0.671	0.056
VAL(J)	350	46.936	3.911
VAL(L)	5	0.671	0.056
BSL: (MM)	40	5.364	0.447
BPSL(JSG)	100	13.410	1.118
JSL	150	20.116	1.676
NINL	12	1.609	0.134
VISA	5	0.671	0.056
SHYAM DRI	5	0.671	0.056
TSIL	20	2.682	0.224
PSL (keonjhar)	10	1.341	0.112
RATHI	5	0.671	0.056
IFFCO	15	2.012	0.168
Aryan Ispat	5	0.671	0.056
Arati Steel	25	3.353	0.279
OPCL	20	2.682	0.224
NBVL	70	9.387	0.782
OSIL	20	2.682	0.224
Total	4001.5	536.615	44.718

- The percentage of share and recovery of SOC from DISCOMs are as under:

Table- 11
Apportionment of Annual & Monthly SOC Charges amongst Distribution Companies & Buyers

Name of DISCOMs	% Share	Annual Charge (Rs. lakh)	Monthly Charge (Rs. lakh)
CESU	31.94	171.395	14.283
NESCO	22.67	121.651	10.138
SOUTHCO	11.43	61.335	5.111
WESCO	33.96	182.235	15.186
Total	100	536.615	44.718

- OPTCL as Intra-State Transmission Licensees has to bear 10% of SOC of Rs.119.248 lakh/annum and Rs.9.937 lakh/month.

Recovery of Market Operation Charges

44. The recovery of Market Operation Charges (MOC) of Rs.298.120 lakh shall be as per CERC Regulation as under.
- a. Generating Stations & Sellers @ 50% of MOC are to pay Rs.149.06 lakh to SLDC. Individual generator & CGP are to pay MOC in proportion to its installed capacity vs. assessed installed capacity of 4001.50 MW as shown in Table below:

Table- 12
Apportionment of Annual & Monthly MOC Charges amongst Generating Station & Sellers

Generating Company/Sellers	Installed capacity	Total Amount (Annual)	Total Amount (Monthly)
OHPC	2027.5	75.526	6.294
OPGC	420	15.645	1.304
TTPS	460	17.135	1.428
OPCL	20	0.745	0.062
Meenakshi	37	1.378	0.115
NALCO	100	3.725	0.310
IMFA	60	2.235	0.186
HINDALCO	15	0.559	0.047
RSP	5	0.186	0.016
VAL(J)	350	13.038	1.086
VAL(L)	5	0.186	0.016
BSL: (MM)	40	1.490	0.124
BPSL(JSG)	100	3.725	0.310
JSL	150	5.588	0.466
NINL	12	0.447	0.037
VISA	5	0.186	0.016
SHYAM DRI	5	0.186	0.016
TSIL	20	0.745	0.062
PSL (Keonjhar)	10	0.373	0.031
RATHI	5	0.186	0.016
IFFCO	15	0.559	0.047

Generating Company/Sellers	Installed capacity	Total Amount (Annual)	Total Amount (Monthly)
Aryan Ispat	5	0.186	0.016
Arati Steel	25	0.931	0.078
OPCL	20	0.745	0.062
NBVL	70	2.608	0.217
OSIL	20	0.745	0.062
Total	4001.5	149.060	12.422

- b. DISCOMs & Buyers @ 50% of MOC are to pay Rs.149.06 lakh and MOC is proposed to be collected from individual DISCOM as per their assessed % share as shown in Table below:

Table - 13

Apportionment of Annual & Monthly MOC Charges amongst Distribution Companies & Buyers

Name of DISCOMs	% Share	Annual Charge (Rs. lakh)	Monthly Charge (Rs. lakh)
CESU	31.94	47.610	3.967
NESCO	22.67	33.792	2.816
SOUTHCO	11.43	17.038	1.420
WESCO	33.96	50.621	4.218
Total	100	149.060	12.422

45. **Registration Fee**

All users whose Scheduling, Metering & Energy Accounting are to be coordinated by SLDC shall register with SLDC on payment of one time Registration Fee of Rs1.00 lakh as per Regulation 24 of CERC Regulations, 2009.

46. **Application fee and scheduling charges**

Application fee of Rs.5000/- per application and Scheduling charges Rs.2000/- per day or part there of shall be paid by the Short Term Open Access (STOA) Customers.

47. The details of ARR and proposed levy of SLDC Annual Fee and Charges for FY 2010-11 are summarized in Table below:

Table - 14

Sl. No.	Particulars	Unit	Proposal for 2010-11
1	Annual Revenue Requirement	Rs. lakh	1490.598
2	System Operation Charges (SOC)	Rs. lakh	1192.478
3	Market Operation Charges	Rs. lakh	298.120
4	Total Generation Capacity	MW	4001.50

Summary of Annual Revenue Requirement and Fees & Charges for SLDC functions proposed by OPTCL

48. OPTCL has proposed before the Commission to approve the Annual Revenue Requirement of Rs.1490.598 lakh for FY 2010-11 towards State Load Dispatch Centre (SLDC) functions separately and to approve to recover through:

- a. System Operation Charges (SOC) (80% of AFC) – Rs.1192.478 lakh/annum or Rs.99.373 lakh/month
- b. Market Operation Charges (MOC) (20% of AFC) - Rs.298.120 lakh/annum or Rs.24.843 lakh/ month.

VIEWS OF OBJECTORS AND CONSUMER COUNSEL ON OPTCL PROPOSAL FOR ARR AND LEVY OF ANNUAL FEE AND CHARGES FOR SLDC FUNCTIONS FOR FY 2010-11 (Para 49 to 111)

Analysis of the proposal by Consumer Counsel (Para 49 to 59)

49. Dr. S. Meher, Consumer Counsel had analyzed the application of the licensee and some of the important observations are as follows:

Annual Revenue Requirement

50. SLDC has given the proposal for revenue requirement of Rs.14.90 Crore which would be recovered through annual fees and charges. The Revenue Requirement includes Employee Cost of Rs.4.49 Crore, which is provisional. NPC has already submitted a report on the manpower requirement of OPTCL & SLDC which is under active consideration of OPTCL. The report is yet to be finalized and implemented. However, in the absence of any approved organizational structure for SLDC, the proposed employee cost seems to be too high as the Commission had approved a working strength of 81 nos. at par with ERLDC vide Para 157 of its Order dated. 20.3.2009 and only 48 nos. of employees are in place in SLDC during FY 2009-10.
51. SLDC has projected Administrative and General (A&G) expenditure at Rs.1.12 Crore during FY 2010-11 against an estimated expenditure of Rs.0.53 Crore during FY 2009-10. As SLDC has not been able to spend the higher amount approved by the Commission during FY 2009-10, A & G Expenditure is to be based on certain principles like escalation of 5.2% over the previous year expenses i.e. on the estimated expenditure of Rs.0.53 Crore.
52. Repair and Maintenance (R&M) expenses of Rs.2.02 Crore has been projected for FY 2010-11 against Rs.0.05 Crore estimated during FY 2009-10. However, as SLDC has not spent the amount of Rs.1.00 Crore approved by the Commission during FY 2009-10, the R&M expenses of Rs.2.02 Crore proposed by SLDC does not seem to be justified.
53. An amount of Rs.6.06 Crore has been projected for depreciation during FY 2010-11 as against Rs.0.06 Crore was proposed and approved by the Commission in ARR for FY 2009-10. However, the proposed amount of Rs.6.06 Crore includes recovery of capital cost of Rs.5.78 Crore besides depreciation on existing assets of Rs.0.28 Crore. SLDC has also included depreciation of ULDC assets in addition to the depreciation of SLDC assets. Hence the recovery of capital cost and depreciation of ULDC assets should not be allowed under depreciation for SLDC assets.
54. SLDC has calculated Interest on Working Capital as Rs.1.21 Crore by considering 12% rate of interest based on present SBI PLR of 11.75%.

Annual Fee

55. SLDC propose to recover Annual Fixed Cost of Rs.14.90 Crore in two ways,
 - System Operation Charges (SOC) amounting Rs.11.92 Crore, and
 - Market Operation Charges (MOC) amounting Rs.2.98 Crore.

56. While calculating Annual Charges, capital cost has been taken into consideration. However, annual charge is treated as revenue requirement, which is supposed to be calculated on revenue expenditure only.

Application Fee & Scheduling Charges

57. SLDC has proposed application fee and scheduling charges of Rs.5000 per application and Rs.2000 per day or part thereof to be paid by the short-term customers.
58. While calculating the ARR for SLDC the amount collected through Application Fees and Scheduling Charges should be deducted.

Summing Up

59. SLDC has shown inflated employee cost in the absence of any approved manpower structuring. SLDC has been unable to spend the higher amount approved by the Commission for R&M expenses and A&G expenses. Hence, there is no justification of proposed higher amount for FY 2010-11. SLDC has calculated recovery of capital cost and included depreciation of ULDC assets in addition to the depreciation of SLDC assets. This should not be allowed. Annual fee is a revenue requirement but has been calculated taking capital cost in to the account. Amount collected towards scheduling charges should be deducted from ARR.

Views of Objectors (Para 60 to 111)

60. The Commission has considered all the views of various Objectors on the proposal of OPTCL on ARR and levy of Annual Fees and Charges for SLDC functions for FY 2010-11. Some of the views were found to be of general nature whereas others were specific to the proposed ARR filing for FY 2010-11. Based on their nature and tariff, these views have been classified issue-wise as discussed below.

Functioning of SLDC

61. Some Objectors submitted during hearing that SLDC should be ring-fenced suitably to ensure functional autonomy.
62. Some objectors pointed out that the Girish B. Pradhan Committee of MOP recommended that the State Government should take suitable steps to facilitate independent functioning of SLDC in line with Electricity Act, 2003 as well as National Electricity Policy. A separate representative Board Structure may be constituted for governance of SLDC in line with wholly owned subsidiary already created for the independent system operation of RLDCs & NLDC.
63. Some objectors submitted during the hearing that as the State Government has not notified an appropriate Transfer Scheme separating SLDC from OPTCL, the decision of SLDC can not be expected to be an independent one.

Organizational Structure and Employee Strength of SLDC

64. Some Objectors pointed out that the National Productivity Council (NPC) has submitted the man power restructuring for SLDC which is yet to be approved by OPTCL management.
65. One Objector submitted that SLDC being a high-tech Organization should reduce number of clerical staff and class four employees like other High-tech Corporate Sector.

66. Some Objectors have proposed that as per the Girish B. Pradhan Committee recommendations, OPTCL should obtain the views of ERLDC on the organizational structure of SLDC.

Appointment of Chief Load Dispatcher & other Executives in SLDC

67. Some Objectors pointed out that the Commission vide Para 205 & 206 of the Order 20.03.2009 directed OPTCL to ensure that SLDC should be headed by a Chief Load Dispatcher in the Rank of Director and should have three distinct wings for Grid Operation, Commercial & Telecommunication with other support services in the pattern of executive and staff deployed in ERLDC (81 Nos.) which should have been in place within 4 months i.e. by 20th July, 2009 to enable SLDC to function as an Independent System Operator as recommended by the Girish B. Pradhan Committee of the MOP.
68. Those Objectors pointed out that in spite of such specific Orders of the Commission; OPTCL has not posted a Chief Load Dispatcher in the rank of Director so far.
69. To the Commission's specific query, Director (Engg.) on behalf of OPTCL submitted that no proposal for posting of a Director has been sent to Government from OPTCL.
70. One Objector pointed out during the hearing that this is a serious affair and utter disregard to the directives of the Commission to ring-fence Odisha SLDC to function as an Independent System Operator and requested the Commission to issue a directive to OPTCL to post the present Director (Engg.), OPTCL as Director SLDC so as to honor the earlier directive of the Commission vide Order dated 20.03.2009.

Establishment of Energy Billing Centre (EBC)/Energy Accounting & Settlement System Centre (EASSC).

71. One Objector submitted that as per the Road Map of the Commission vide letter no. 1313 dated 04.08.2007; EBC/EASSC of SLDC was to function by 31.08.2007 for preparation of monthly State Energy Accounting, Weekly UI and Reactive Energy Account for billing and payment to all the stake holders, deploying requisite personnel; software and hardware.
72. He submitted that OPTCL had filed a separate application before the Commission for approval of ARR on FY 2008-09 for Rs.20.10 Crore which was registered in the Commission as Case No. 63 of 2007 where OPTCL had proposed a provision of Rs.2.00 Crore for infrastructure development of EBC/EASSC. By a petition dated 13.3.2008, OPTCL prayed before the Commission for deferring for one year the decision of levying the separate charges & fees for SLDC. The Commission accepting the request of OPTCL dismissed the Case no. 63 of 2007 and approved recovery of SLDC fees and charges in ARR & Transmission Charges of OPTCL for FY 2008-09 but Commission vide Para 281 of the Order dated 20.03.2008 approved Rs.688 lakh for SLDC separately towards R&M expenses and development of EBC/EASSC but OPTCL could spend only Rs.2.90 lakh out of the aforesaid amount during FY 2008-09.
73. He further submitted that OPTCL again applied for approval of ARR of Rs.12.09 Crore for FY 2009-10 to the Commission which was registered in the Commission as Case No. 65 of 2008 with a provision of Rs.2.00 Crore for infrastructure development of EBC/EASSC. He submitted that many objectors requested the Commission during hearing on 10.02.2009 to direct OPTCL to furnish a detailed plan for infrastructure development of EBC/EASSC for Rs.2.00 Crore for FY 2009-10.

74. The Objector submitted before the Commission the response of OPTCL in January, 2009 to the Commission's query as under:-
"Action is being taken for posting of additional Executives for preparation of State Energy Accounting and development of EBC/EASSC. Three numbers of Rooms have been identified for the purpose and tender has already been floated for modification of these rooms. Action is being initiated for procurement of required hardware and software for the purpose".
75. He submitted that the Commission vide Para 176 of the Order dated 20.3.2009 approved an amount of Rs.2.00 Crore for development of EASSC with remarks as under:-
"As the functioning of SLDC very much depends upon the establishment of EASSC, the Commission hereby approved the investment of Rs.2.00 Crore proposed by SLDC for infrastructure development of EASSC during 2009-10"
76. He further informed during the hearing on 18.02.2010 that SLDC on 11.01.2010 submitted before the Commission on functioning of EASSC as under:-
"All infrastructures including civil works for establishment of EASSC at SLDC have been completed. Tender for procurement of the required hardware and software has been finalized and is expected to be commissioned during this financial year 2009-10"
77. He requested the Commission that OPTCL/SLDC should be directed to specifically submit before the Commission the exact timeline of functioning of EBC/EASSC; which has already been delayed for more than 30 months even after the required fund has been approved and earmarked by the Commission in ARR during FY 2008-09 and FY 2009-10.
78. During hearing on ARR of SLDC on 18.02.2010 to the Commission's query, CGM (IT) OPTCL submitted before the Commission that OPTCL would require another 6 months to develop and commission the Billing Software for EASSC.
79. The Objector submitted that the submission of CGM (IT) on behalf of OPTCL requirement of another 6 months to develop and commission the Billing software of EASSC is almost contrary to the affidavit of SLDC on 11.01.2010 where it is stated that the required hardware and software would be commissioned by 31st March, 2010.
80. He submitted that the Experts in the field when consulted have opined that as Billing Software is already in use in EBC of GRIDCO, and all the interface meters having the requisite parameters for calculation of Energy (KWH), Reactive Energy (KVARH) etc in 15-minutes mode, a time period of 3 months is good enough for installation of requisite software in EASSC of SLDC where OPTCL had already taken more than 30 months to develop the same and again requests the Commission to allow them time up to July/August, 2010 as a result of which SLDC would not be in a position to implement the Intra-State ABT even from 01.4.2010 in real time mode which is in force since 14.02.2008 as per OERC Regulation, 2008.
81. In view of the above, the Objector submitted that OPTCL should be directed by the Commission to install and commission EASSC in full shape with requisite hardware and software by 31st March, 2010 as per SLDC affidavit dated 11.01.2010.

Transfer of Sub-LDCs to the Control of SLDC

82. One Objector submitted that the Commission vide Para 203 of the Order dated 20.03.2009 directed OPTCL to transfer all assets of Sub-LDCs at Bhubaneswar, Meramundali, Jayanagar & Budhipadar to SLDC immediately.
83. He submitted that SLDC vide their submission dated 11.01.2010 informed the Commission that all assets belonging to SLDC have been identified and no transfer to the Control of SLDC has been effected yet. He requested the Commission that OPTCL should be directed to give definite time-line to handover of sub-LDCs to SLDC

SLDC Website

84. Another Objector pointed out that the Commission vide Para 207 of the Order dated 20.03.2009 directed SLDC to have its own Website within 20th May, 2009.
85. He submitted that as noticed from the SLDC website that no on-line data is presently available and it is very strange that SLDC on-line data on scheduling and actual drawal in 15-minute settlement mode are available in OERC website.
86. He requested the Commission that SLDC may be directed to display all data as per CERC/OERC Regulations for the information of all stakeholders by 31st March, 2010 positively as SLDC should act as a transparent mirror of all the Power Sector on-line activities of Odisha.

Non-compliance of OERC Protocol on Power Regulation dated 14.01.2010

87. One Objector pointed out that during Public Hearing on 08.01.2010, SLDC submitted before the Commission that DISCOMs have been regularly violating the schedule and drawing more than their entitlement resulting our State of Odisha overdrawing from Central Grid even at times of low frequency for which ERLDC has been issuing a number of strictures to SLDC. The Commission vide Order dated 14.01.2010 issued the Order (Protocol) on Power Regulation in the State under Section 23 of the Act which came into effect from 15.01.2010.
88. The Objector submitted that due to noncompliance of protocol on Power Regulation dated 14.01.2010, all the DISCOMs have overdrawn and the consequential UI Impact were as under during the period from 15.01.2010 to 07.02.2010 as per the Director (Tariff's) query during hearing on 18.02.2010. The details are submitted as under:-

Table - 15

Name of the DISCOM	Energy Overdrawn(MU)	UI Impact (Rs. Crore)
CESU	23.627	9.730
WESCO	21.831	7.484
NESCO	20.556	6.818
SOUTHCO	14.145	5.768
Total	80.159	29.800

89. The Objector requested the Commission that SLDC may be directed to explain the reason of non-compliance of the Commission's Order (Protocol) on Power Regulation which has resulted in over drawal of about 80.159 MU with an UI impact of Rs.29.80 Crore, during the period from 15.01.2010 to 07.02.2010.
90. The Objector submitted during hearing on 18.02.2010 that SLDC has not filed any petition in the Commission for non-compliance of Protocol on Power Regulation by

DISCOMs till date. As SLDC has failed to act as per the statute and failed to take action based on Order on Power Regulation dated 14.01.2010 of the Commission, he requested the Commission to levy a penalty of Rs.1.00 Lakh on Chief Load Dispatcher of SLDC under Section 142 of Electricity Act, 2003.

Annual Revenue Requirement

91. Some of the Objectors pointed out that SLDC has submitted an unusually inflated ARR for FY 2010-11 before the Commission.

Annual Charges

92. Some Objectors submitted that the Annual Charges of SLDC if any applicable may be made out of the Open access Power Supply through SLDC to outside the State.
93. Some Objectors submitted that even though Electricity Act, 2003 and National Electricity Policy provided for establishment of State-of-the-Art SLDC to function as an Independent System Operator, the same is still operated under OPTCL i.e. the State Transmission Utility (STU). Therefore, they submitted before the Commission that there is no justification for any charges for SLDC like System Operation Charges & Market Operation Charges separately to be added to the BSP of GRIDCO since Transmission Tariff and Transmission Loss are being accounted for in ARR of OPTCL.
94. One Objector submitted that the Annual Charges for FY 2009-10 may continue in FY 2010-11.
95. On payment of Annual Charges, some Objectors proposed that 45% of SOC and 50% of MOC should be apportioned amongst DISCOMs and buyers on the basis of demand allocation.

Market Operation Charges (MOC)

96. One Objector has suggested for equal allocation of MOC to all users as per Regulation 23 of CERC Regulation, 2009 and has objected to the allocation of MOC based on installed capacity by OPTCL/ SLDC.

Depreciation

97. Some Objectors submitted that proposed depreciation towards recovery of capital expenditure for Rs.578.10 lakh is not justified as per CERC Regulation, 2005. Depreciation amount of Rs.27.80 lakh may be accepted in ARR.
98. Some Objectors pointed out that as GRIDCO is paying ULDC Charges hence depreciation of ULDC assets should not be considered in the ARR of SLDC for FY 2010-11.

O&M Expenses (excluding HR expenses)

99. Some Objectors pointed out that the proposed O&M expenses for Rs.313.84 lakh is 5.42 times of anticipated O&M expenses of SLDC for FY 2009-10. This 542% hike in O&M expenses proposed for FY 2010-11 is not acceptable.
100. One Objector has proposed that O&M expenses may be calculated for SLDC on the basis of actual O&M expenses for the year from FY 2004-05 to FY 2008-09.
101. Some Objectors submitted that as SLDC has spent only Rs5.00 lakh out of Rs.1.00 Crore approved by OERC for Repair & Maintenance in ARR for FY 2009-10, R&M expenses for FY 2010-11 may be approved on a pragmatic basis.

102. Another Objector submitted that additional expenditure on FMS for Rs.30 lakh, Band width Charges for WAN for Rs.48 lakh, SCADA/EMS equipments for Rs.40 lakh and training for SLDC personnel for Rs.38 lakh may be allowed.

Employee Cost

103. Some Objectors proposed that the employee cost may be allowed to the extent of expected expenditure to be made during FY 2009-10 and additional expenses of Rs1.00 Crore may be allowed for implementation of Intra-State ABT during FY 2010-11.
104. One objector proposed that an amount of Rs.363.10 lakh towards HR expenses for FY 2010-11 considering escalation @ 5.72% on anticipated HR expenses for FY 2009-10 at Rs.343.456 lakh may be allowed besides an additional compensation of Rs.0.60 lakh based on the report on the Committee on “Man power certification and incentives for system operation and Ring fencing of Load Dispatch Centers”.

Interest on Working Capital

105. One Objector has suggested calculation of Interest on Working Capital based on present SBIPLR @ 11.75% and not on 12% proposed by OPTCL.
106. Some Objectors submitted during the hearing that the calculation of Interest on Working Capital submitted by SLDC in From-8 attached to ARR application of SLDC for FY 2010-11 is not in conformity with CERC Regulation and hence the total Working Capital of Rs.1011.72 lakh may be recalculated based on which the Interest on Working Capital should be paid @ 11.75% SBIPLR and not on 12% as proposed by SLDC.

Capital Expenditure Plan

107. One Objector submitted that the total recovery of Capital Expenditure for Rs.578.10 lakh is not justified as per CERC Regulation, 2009.
108. As regards to recovery of Capital Expenditure of Rs.578.10 lakh in FY 2010-11, some Objectors have sought to know the details of expenditure out of Rs.2.00 Crore approved by OERC for infrastructure development of EASSC in ARR for SLDC for FY 2009-10.
109. One Objector has proposed that only the interest of loan incurred for such Capital work may be allowed in the ARR for FY 2010-11.

SLDC Development Fund

110. One Objector has suggested for creation and maintenance of a separate fund called “SLDC Development Fund” as per Regulation 9 of CERC Regulation, 2009.

Registration Fees

111. One Objector proposed for provision of one time Registration Fee to be collected from all users as per Regulation 24(2) of CERC Regulation, 2009.

OPTCL’s RESPONSE TO THE OBJECTORS (Para 112 to 125)

112. In response to the views of the Objectors on the ARR and Annual Fees and Charges for SLDC functions for FY 2010-11, OPTCL/SLDC had filed rejoinders in respect of each issue as under :-

Functioning of SLDC

113. As per the report of the Committee constituted by Government of India Ministry of Power the appropriate Government shall take necessary steps to facilitate independent functioning of the Load Dispatch Centre in line with Electricity Act, 2003 as well as National Electricity Policy. As per the recommendations of the Committee under the Chairmanship of Girish B. Pradhan, Addl. Secy. to MoP, GoI, the matter is under examination by the Government of Odisha. However as per the provision U/s 31 (2) of the Electricity act, 2003 *“The State Load Dispatch Centre shall be operated by a Government Company or any authority or Corporation established or constituted by or under any State act, as may be notified State Government”*

Organizational Structure and Employee Strength

114. As per the direction of the Commission at Para 205 of its Order dated 20.03.2009 passed in Case No 65/2008 for approval of ARR and SLDC Charges for FY 2009-10, provision of manpower as per ERLDC structure has been made in the ARR application for FY 2010-11. Comments of ERLDC, in this regard is not necessary, as, SLDC is not functioning under ERLDC.
115. National Productivity Council (NPC) had been entrusted for preparation of the “Manpower Structure Report for OPTCL as well as SLDC. The above firm has already submitted their report, which is under examination by OPTCL. Provision of Chief Load Dispatcher in the rank of Director and all supporting staff for SLDC function has been kept in the NPC report. On approval of the above structure, action shall be initiated to fill all the posts including Chief Load Dispatcher.
116. In the proposed ARR, the number of Secretarial Staff has been provided considering the barest minimum requirement.

Establishment of Energy Billing Centre (EBC)/Energy Accounting & Settlement System Centre (EASSC).

117. Regarding item wise details of the expenditure for the EASSC Centre at SLDC (approved in the ARR for the FY 2009-10), it is submitted that all civil and electrical works for renovation of the building have been completed. Procurement of required Hardware & Software is under process, for which tendering process has been completed. However, all works are expected to be completed by the end of FY 2009-10 and the item wise expenditure shall be finalized.

Depreciation

118. As the Capital works proposed in the ARR are targeted to be completed during FY 2010-11, it is proposed to recover the Capital cost in shape of depreciation during the same year through revenue recovery from the stakeholders.
119. Regarding payment of URLDC Charges, it is submitted that since GRIDCO is paying the ULDC charges towards Revenue Recovery for the investment made by Power Grid for ULDC assets and which are supposed to be included in their ARR, the said charges have not been considered in the OPTCL’s ARR for SLDC function. The depreciation cost of the assets used in the Control Centre only has been proposed in the ARR.

O&M Expenses (excluding HR expenses)

120. The O & M expenses proposed in the ARR mainly consists of “Bandwidth Charges for WAN”, “Facility Management Services (FMS)”, AMC for SCADA/EMS

equipment, AMC for APS equipment, “Training including Certification” of Operators and payment of electricity charges. The Objector has agreed for provision of all the charges except electricity charges amounting for Rs.30.00 lakh and suggested curtailment of training expenses from Rs.50.00 lakh to Rs.38.00 lakh. The other expenditure as proposed in the ARR are O&M expenses, repair of Civil Works, repair and maintenance, ERP (Enterpriser Resource Planning), and procurement of new Computers, Software, Fax, V-Sat Photocopier etc. amounting Rs.20.00 lakh, Rs.8.00 lakh and Rs.18.00 lakh respectively. Since R&M of building and colony and procurement of computers and software are essential for SLDC, the above expenditure cannot be avoided.

Employee Cost

121. OPTCL in its ARR for FY 2010-11, has proposed Rs.449.449 lakh towards human resources expenses considering all the posts as proposed to be filled up by the end of the current year. Some of the Objectors submission to consider the HR expenses for FY 2010-11 cannot be applicable in this case, as all the posts (as proposed in the structure) have not been filled up during the current year.

Interest on Working capital

122. OPTCL submitted that instead of 11.75 % interest rate as suggested by the Objector, interest rate of 12 % has been considered in the ARR, which makes hardly a difference of Rs.4.00 lakh.

Market Operation Charges (MOC)

123. As per the provision under Regulation 23 of CERC Regulation the MOC charges has to be collected equally from all the users except inter-state transmission licensees. In the application filed by OPTCL, the MOC has been divided considering to category of users i.e. “BUYER” to “SELLER”. Further the MOC is subdivided among the Users of each category basing on the quantum of drawal approved by the Hon’ble OERC in the ARR for FY 2009-10 (Buyers) and installed capacity of the generators including CGPs (Sellers). The objection raised by the Objector for collection of MOC equally from all the Users is not maintainable in the sense that a small generator injecting power in the tune of 1 to 5 MW cannot be compared with the generating Companies like OHPC with installed capacity of 2000 MW.

Apportionment of SOC & MOC amongst Buyers & DISCOMs

124. As per provision under Regulation 21, 22 & 23 of CERC (fees and charges of Regional Load Dispatch Centre and other related matters) Regulation, 2009, the SOC and MOC has been computed considering the allocation of energy (MU) drawals by the distribution Licensees, approved in GRIDCOs ARR for FY 2010-11, as energy drawal is more realistic approach than the demand allocation.

Registration Fee

125. As per Regulation 24 of CERC Regulation, 2009 collection of one time registration fee @ Rs.1.00 lakh from each User has been made in the ARR application. The amount has been reduced from Rs.10.00 lakh since, CERC Regulation is applicable the IST system Users handling large quantum of transactions, whereas the State system Users are small in comparison.

OPTCL's response to queries raised by the Commission staff (Para126 to 147)

126. The Commission staff on scrutiny of the ARR and levy of Annual Fee & Charges application of SLDC for FY 2010-11 had sought clarifications and additional information vide letter no 146/2009/2992, Dated 24.12.2009 by raising certain queries. OPTCL submitted the following clarification and additional information in the paragraphs mentioned here under for information of the Commission.

Status of Mile-Stones mentioned in Road Map of OERC

127. OERC issued a Road Map for implementation of levy of Annual Fee and Operating Charges for SLDC functions vide letter No. 1313 dated 04.08.2007 and the important milestones and the time-line proposed by OERC are mentioned as under:
- (a) Transfer of all assets belonging to the Unified State Load Despatch Centre at Mancheswar and Sub-Load Despatch Centres at Bhubaneswar, Meramundali, Jayanagar and Budhipadar with the land, buildings, plant and equipments associated or related to the State Load and Sub-Load Despatch Centres to SLDC to function as an independent autonomous entity under OPTCL (in line with Transfer Scheme of 2005 of GOO)..... 31.8.2007.
 - (b) Establish Energy Billing Centre (EBC) for preparation of monthly State Energy Accounting, weekly UI and Reactive Energy Accounting (both provisional and final) for billing and payment by stakeholders deploying requisite personnel, software and hardware 31.8.2007.
 - (c) Transfer of all records / PPAs to SLDC relating to payment of ULDC charges to PGCIL 31.3.2008.

OPTCL was directed to furnish the up-to-date status on the milestones mentioned above for the perusal of the Commission.

128. In response to the query at Para 127 above, OPTCL replied as under :
- a. All assets belonging to SLDC have already been identified. The costing of these assets and transfer to SLDC are under process. Transfer of all the assets belonging to the Unified State Load Despatch Centre at Mancheswar and Sub-Load Despatch Centres are yet to be done.
 - b. All infrastructures including civil works for establishment of Energy Billing Centre (EBC) at SLDC has been completed. Tender for procurement of the required hardware and software has been finalized and is expected to be commissioned during this financial year 2009-10.
129. As per the recommendation in the report of the Task Force Committee on “Capital Expenditure and Issues related to Emoluments for Personnel in Load Despatch Centres”, the assets pertaining to the Control Centre (SLDC) have to be handed over to the State Load Despatch Centres. Provision for recovery of the outstanding amount for investments made by the POWERGRID on ULDC project shall be kept in the ARR of SLDC.

Collection of System Operation Charges from Generators and Sellers

130. As per Regulation 22 of CERC Regulation, 2009, the System Operation Charges (SOC) from the generating companies shall be collected in proportion to their installed capacity or contracted capacity as the case may be. OPTCL in its ARR Application filed on 30.11.2009 at Page 14 and 15 mentioned about the generating

company and sellers from which it is seen that it has not mentioned regarding Orissa share from Machhkund Hydro Electric Project and has not considered Machhkund HEP as a Generator. OPTCL has been asked to clarify the above position.

131. In reply to the Commission's query at para 130 above, OPTCL replied that the System Operation Charges (SOC) has been levied for the State Generators and Sellers. Since Machhkund Powerhouse is not coming under the State Generator category and GRIDCO is having 30% share of Machhkund generation and 20% on purchase basis, the above Generating Station has not been considered for levy of SOC.

Collection of Application Fee and Scheduling Charges from STOA Customers

132. The OPTCL has proposed at page 12 of its ARR application for FY 2010-11 to collect Application Fee of Rs.5000/- per application and Scheduling Charges of Rs.2000/- per day or part thereof from STOA customers. The Commission directed OPTCL to furnish the receipt of such Application Fee and Scheduling Charges from STOA customers for FY 2008-09 and for FY 2009-10 (from April to November, 2009) for the perusal of the Commission.
133. In reply to the Commission's query at para 132 above, OPTCL replied that the amount received for application fee and scheduling charges from STOA customers for the period from 01.04.2009 to 30.11.2009 is as tabled below.

Table -16

Sl. No.	Details of charges	Amount Rs.
1.	Application Fee	12,26,000.00
2.	Scheduling Charges	09,27,630.00
3.	Total	21,53,630.00

Collection of Registration Fee

134. OPTCL in its ARR Application for FY 2010-11 at page 12 has mentioned for collection of Rs.1.00 lakh from all users towards Registration fee. OPTCL has been directed to clarify the justification of collection of such Registration fee of Rs.1.00 lakh from the Users.
135. In reply to the Commission's query at para 134 above, OPTCL replied that as per the provision 24 of CERC Regulations, all Users, whose scheduling, metering and energy accounting are to be coordinated by RLDC shall register themselves with the RLDC concerned by filing application in the format prescribed as Appendix-IV to these Regulations. The application for registration shall be accompanied by one-time fees of Rupees Ten lakh. Accordingly, provision for collection of one lakh rupees from all the Users connected to OPTCL system has been made since SLDC is likely to maintain the energy accounting and metering data.

Transfer of Sub-LDCs to the control of SLDC

136. As per Para 203 and 204 of the Commission's Order dtd. 20.03.2009, OPTCL should immediately transfer the Sub-LDCs/ALDCs at Bhubaneswar, Meramundali, Jayanagar and Budhipadar to SLDC and SLDC has to bear all the expenses relating to sub-SLDCs. OPTCL is directed to furnish the up-to-date status in the matter.
137. In reply to the Commission's query at para 136 above, OPTCL replied that the Sub-LDCs at present are functioning as Data Collection Centres. However in the present ARR, provision of posting of executives in the above data hub centre has been made.

Appointment of Director as Chief Load Despatcher and other Executives

138. As per para 205 & 206 of the Commission's order dtd.20.03.2009, OPTCL is to ensure that SLDC should be headed by a Chief Load Despatcher in the rank of Director and should have Executives and Staff of 81 nos. during 2009-10 at par with ERLDC to man all SLDC Operations having 3 distinct wings of Grid Operation, Commercial and Telecommunication. OPTCL is directed to file a compliance report in this matter.
139. In reply to the Commission's query at Para 138 above, OPTCL replied that NPC has been entrusted for preparation of a report on manpower structuring of OPTCL as well as that of SLDC. The above consultant has submitted its report. Provision of Chief Load Despatcher in rank of Director and other executives for Grid operation, Commercial and Telecommunication have been kept in the above structure, which has to be approved by OPTCL.

Collection of SOC charges from Distribution Companies and buyers

140. As per Regulation 22 of CERC Regulation, 2009, SOC is to be collected from Intra-State transmission licensee, Generating stations and Sellers and Distribution licensees and Buyers. OPTCL in its ARR application for FY 2010-11 at page 13 only mentioned names of Distribution Licensees and has not mentioned regarding other Buyers. OPTCL is directed to furnish the list of Buyers other than DISCOMs using Intra-State transmission system during FY 2009-10.
141. In reply to the Commission's query at Para 140 above, OPTCL replied that besides the DISCOMs there are two other buyers in the state namely NALCO & IMFA who are wheeling power from their own captive generating units through OPTCL system for which they are paying wheeling charges only. In view of the above, these Utilities have not been considered as "Buyers".

SLDC expenses during FY 2009-10 (upto November, 2009)

142. In the Annual Revenue Requirement for FY 2009-10, the Commission had approved an amount of Rs.9.66 crore for SLDC to be recovered through Operating Charges of SLDC. OPTCL has been asked to furnish item-wise actual expenditure viz. Employee cost, additional compensation, R&M, A&G, Reasonable Return, Depreciation, Interest on loan and infrastructure development of EASSC/EBC etc., incurred up to November, 2009.
143. In reply to the Commission's query at Para 142 above, OPTCL replied that the item wise actual expenditure for FY 2009-10 up to November 2009 is tabled as under.

Table -17

Sl. No.	Item	Expenditure (Rs.)
1.	Employee Cost	2,36,19,431.00
2.	Additional compensation	-
3.	R&M	6,36,180.00
4.	A&G	15,88,035.00
5.	Reasonable Return	-
6.	Depreciation	-
7.	Interest on Loan	-
8.	Infrastructure Development of EASSC / EBC	5,69,050.00
9.	TOTAL	2,64,12,696.00

Provision of Training Expenses of Rs.50 lakh in FY 2010-11

144. The A&G expenses projected by OPTCL for 2010-11 include an amount of Rs.50 lakh towards training as against the approved amount of Rs.115 lakh for current year i.e. FY 2009-10. OPTCL has been asked to furnish the details of such proposal justifying provision of Rs.50 lakh.
145. In reply to the Commission's query at Para 144 above, OPTCL replied that as per the recommendation of the Committee on "Manpower Certification and Incentives for System Operation and Ring fencing Load Despatch Centres" set up by Ministry of Power, Govt. of India, all SLDC personnel shall undergo basic level training & certification at the Govt. of India Institute (NPTI). An amount of Rs.50 lakh has been kept in the ARR for the above training & certification of SLDC personnel during the FY 2010-11 anticipating that all the executives shall undergo the aforesaid training programme.

Provision of R&M Expenses

146. OPTCL has been asked to furnish the basis of projecting Rs.2.02 crore towards R&M expenses during FY 2010-11 as against an expenditure of Rs.0.06 crore during FY 2009-10. Further SLDC may justify the need for such huge expenditure on R&M proposed for FY 2010-11.
147. In reply to the Commission's query, OPTCL replied that the details of expenditure projected towards R&M expenses have been mentioned at page- 29 (Form 7 C) in the ARR. The expenditure mainly includes bandwidth charges for establishment of Wide Area Network (WAN) required for collection of metering data from all the interconnection points of DISCOMs, provision for Facility Management Services (FMS), AMC charges for SCADA and APS equipments which have not been considered in the ARR for FY 2009-10.

OPTCL'S RESPONSE TO THE QUERIES RAISED BY THE DIRECTOR (TARIFF) DURING PUBLIC HEARING on 18.02.2010 (Para 148 to 164)

148. The Director (Tariff), OERC during hearing of the OPTCL's application for approval of Annual Revenue Requirement & Levy of Annual Fee and Charges for State Load Despatch Centre (SLDC) function for FY 2010-11 (Case No. 146/2009) raised certain queries for compliance by SLDC. SLDC submitted the clarifications to the said queries as well as additional information in the following paragraphs:

Establishment of Energy Billing Centre (EBC)/ Energy Accounting & Settlement System Centre (EASSC)

149. As per the Road Map of the Commission, EBC/EASSC was to function by 31.8.2007 for preparation of monthly State Energy Accounting, Weekly UI and Weekly Reactive Energy Account for billing and payment to all the stakeholders, deploying requisite personnel, software and hardware. To the Commission's query, SLDC on 11.01.2010 submitted on functioning of EASSC as under:-

"All infrastructures including civil works for establishment of EASSC at SLDC have been completed. Tender for procurement of the required hardware and software has been finalized and is expected to be commissioned during this financial year 2009-10".

SLDC should furnish the exact timeline of functioning of EBC/EASSC.

150. In REPLY to the Query, SLDC submitted that Purchase order for supply of required hardware including switches and servers has been placed. Servers and associated hardware are expected to be received by end of March'10. On line collection of metering data can be done after establishment of Wide Area Network (WAN), which will take at least 6 months. However, Energy Accounting work shall be taken up by the end of April'2010 with the available hardware by that time.

Transfer of Sub-LDCs to the Control of SLDC

151. The Commission vide Para 203 of the Order dated 20.03.2009 had directed OPTCL to transfer all assets of Sub-LDCs at Bhubaneswar, Meramundali, Jayanagar & Budhipadar to SLDC immediately. To the Commission's query, SLDC vide its submission dated 11.01.2010 informed that all assets belonging to SLDC had been identified and no transfer to the Control of SLDC had been effected as yet. OPTCL should give definite time frame for handover of sub-LDCs to the control of SLDC.
152. In reply to the Query, SLDC submitted that the assets of SLDC & sub-LDCs at Budhipadar, Meramundali & Jayanagar have been identified. The transfer process will be completed during FY 2010-11.

Appointment of Chief Load Dispatcher & other Executives in SLDC

153. The Commission vide Para 205 & 206 of the order 20.03.2009 had directed OPTCL to ensure that SLDC should be headed by a Chief Load Dispatcher in the rank of Director and should have three distinct wings of Grid Operation, Commercial and Telecommunication with other support services in the pattern of executives and staff deployed in ERLDC (81 Nos.) which should be in place within 4 months i.e. by 20th July, 2009 to enable SLDC to function as an Independent System Operator as recommended by the Girish B. Pradhan Committee of the MOP. SLDC may submit the present status in this regard.
154. In reply to the Query, SLDC submitted that NPC had been entrusted for preparation of a report on manpower structuring of OPTCL as well as SLDC. The above consultant has submitted its report. Provision of Chief Load Dispatcher in the rank of Director and other executives for support services like Grid operation, Commercial and Telecommunication have been kept in the above structure, which is under active consideration by OPTCL. All the required posts shall be filled up after approval of the report.

SLDC Website

155. The Commission vide Para 207 of the Order dated 20.03.2009 had directed SLDC to have its own Website within 20th May, 2009. In this connection, SLDC may submit the status of its own Website and the display of all data as per CERC/OERC Regulations for the information of all stakeholders.
156. In reply to the Query, SLDC submitted that SLDC website has already been created and is in place. The Weekly/Monthly/Annual system performance reports are being displayed in the web site. Daily grid report is also being displayed in the website. Other reports/ data as per CERC/OERC Regulation will be displayed in the website from 1st April'2010 onwards.

Non-compliance of OERC Protocol on Power Regulation dated. 14.01.2010

157. During Public Hearing on 08.01.2010, SLDC submitted that DISCOMs had been regularly violating the schedule and drawing more than their entitlement resulting in

the State overdrawing from Central Grid even at times of low frequency for which ERLDC has been issuing a number of strictures. The Commission vide Order dated 14.01.2010 issued the Order (Protocol) on Power Regulation in the State under Section 23 of the Act which should have come into effect from 15.01.2010. On Scrutiny of SLDC on-line data from 15th January to 7th February, 2010, it is observed that due to non-compliance of protocol on Power Regulation dated 14.01.2010, all the DISCOMs have overdrawn and the consequential UI Impact is as shown in Table below:-

Table-18

Name of the DISCOM	Energy Overdrawn (MU)	UI Impact (Rs. lakh)
CESU	23.627	973.095
WESCO	21.831	748.459
NESCO	20.556	681.806
SOUTHCO	14.145	576.861
All DISCOMs	80.159	2980.221

SLDC may explain the reasons of non-compliance of the Commission's Order on Power Regulation which has resulted in overdrawal of about 80.159 MU with an UI impact of Rs.29.80 Crore.

158. In reply to the Query, SLDC submitted that as directed by OERC vide Order dated, 14.01.2010 passed in Case No. 01/2010 on Power Regulation in the State under Section 23 of the Electricity Act, 2003 & as decided earlier in the meeting for implementation of Intra-state ABT Mock Exercise, SLDC is preparing and forwarding the day ahead drawal schedule to the Discoms considering State's power availability from all sources. Further revision of the schedule is being done in case of outage/addition of generation on real time basis.
159. SLDC further submitted that the DISCOMs are supposed to maintain their drawal as per the schedule. In case of deficit situations, the DISCOMs are to implement load restriction in their respective areas as per guide lines mentioned in the above order. As directed at Para (9) of the said order, SLDC should not resort to hand tripping of the feeders supplying power to consumers but can do so if the concerned industrial consumer do not comply with the instruction of SLDC after giving adequate notice to the said consumer. The order at Para (4) further states that "the EHT industries who like to opt out of the RTC demand restriction should approach to DISCOMs and GRIDCO, in writing".
160. SLDC, therefore, submitted that SLDC has no scope to monitor the HT industrial drawal as they are not covered under SCADA. Regarding EHT industry drawal, those industries covered under SCADA can only be monitored. However the option and contract demand of such Industries are yet to be received by SLDC from DISCOMs.

Monthly Cash Flow of all Receipts and Expenses in FY 2009-10 (Upto Jan., 2010)

161. The Commission had approved the total operating charges of SLDC for FY 2009-10 at Rs.9.66 cr. SLDC may provide monthly cash flow of all the receipts and expenses on actual basis incurred item-wise for the current financial year FY 2009-10 (upto January, 2010).
162. In reply to the Query, SLDC submitted that the monthly Cash flow of receipt and expenditure on actual basis is yet to be prepared. However, the Receipt and Expenditure (provisional) for FY 2009-10 up to January'10 are as stated below.

Cash receipt up to January'10 -----Rs.6, 17, 89,788/-

Expenditure up to January'10 -----Rs.2, 77, 65,057/-

Proposed CAPEX of Rs.5.78 cr. in FY 2010-11

163. The annual revenue requirement of Rs.14.91 cr. proposed for the financial year 2010-11 includes an amount of Rs.5.78 cr. of Capital expenditure to be recovered during 2010-11. Justification for capital recovery of the above amount in a single year through Annual Revenue Requirement may be furnished.
164. In reply to the Query, SLDC submitted that all the items of the Capital works proposed in the ARR are targeted to be completed within FY 2010-11. SLDC has, therefore proposed to recover the Capital Cost in shape of depreciation during the same year through revenue recovery from the stakeholders.

Views of the Govt. of Orissa

165. The representative of the State Govt. who participated during the public hearing on 18.02.2010 submitted that the views of the Govt. would be filed before the Commission very soon., The Govt. of Orissa, Department of Energy vide letter No.1577 dated 23.02.2010 informed the Commission that the State Govt. has taken a decision to provide Rs.1000.00 Crore as equity investment to OPTCL in three year to support the expenditure on the non-remunerative schemes to the inaccessible areas and achieving social goals. In accordance with that decision the State Govt. has already provided Rs.23,05,55,000/- and Rs.5.00 Crore during 2008-09 and 2009-10 respectively to OPTCL. Out of the balance amount, Rs.50.00 Crore will be provided during the year 2010-11. Although the Govt. has not taken any specific view on the levy of independent SLDC Fees & Charges proposed by OPTCL for SLDC for FY 2010-11 the Govt. has expressed its specific views on Tariff for High-end consumers & Tariff setting and fixation of performance parameter for the DISCOMs which are reproduced as under:

a) **Tariff for High-end consumers**

If the High-end Consumers are agreeable to pay higher tariff to get uninterrupted power supply and costly power, decision in this regard may be taken by the Commission.

b) **Tariff setting and fixation of performance parameter for the DISCOMs**

This aspect may be considered by the Commission and necessary direction may be issued to the Distribution Companies for achieving better results in terms of consumer satisfaction by giving quality power and improvement in their collection efficiency and reduction of T&D and AT&C losses.

OBSERVATION OF THE STATE ADVISORY COMMITTEE (SAC) (Para 166 to 171)

166. The State Advisory Committee (SAC) constituted under Section 87 of Electricity Act, 2003 met on 18th Feb, 2010 to deliberate on the Annual Revenue Requirement and tariff application for the FY 2010-11 of utilities, namely OHPC, OPTCL, GRIDCO, SLDC, CESU, NESCO, SOUTHCO and WESCO.
167. The Director (Tariff) made a brief presentation on the ARR and tariff applications for FY 2010-11 as shown in Table below:

Table - 19

Name of the Utility	ARR approved by OERC in FY 2009-10 (Rs. Crore)	ARR proposed for FY 2010-11 (Rs. Crore)	% Rise Proposed in ARR for FY 2010-11	OERC approved Tariff in FY 2009-10 (Paise/KWH)	Proposed Tariff for FY 2010-11 (Paise/KWH)	% rise proposed in Tariff for FY 2010-11
OHPC	335.35	422.98	26.13	59.68	75.27	26.12
GRIDCO	2949.80	5480.22	85.78	122.20	262.89	115.13
OPTCL	394.15	1443.50	266.23	20.50	68.72	235.22
SLDC	9.66	14.90	54.30	0.50 (Avg)	0.71 (Avg)	42.00
DISCOMs	3827.48	3995.36	4.38	265.15	280.98	5.97

168. It was pointed out to the Members of SAC that the proposed tariff hike of 5.97% as shown by the DISCOMs is based on the existing Bulk Supply Price (BSP) and Transmission Tariff of GRIDCO & OPTCL respectively for the year 2009-10. Any increase in BSP for the DISCOMs and the Transmission Tariff of OPTCL would correspondingly add to the proposed rise suggested by the DISCOMs in their Retail Supply Tariff.
169. Members opined that time & cost overruns of OPTCL projects have increased transmission cost. This cost should not be passed on to consumers. OPTCL needs to have a well structured project management cell to expedite projects. Also OPTCL should not offload work to contractors where it can be taken up by the organization at lesser cost. R & M expenditure should be properly scrutinized and higher depreciation charges should not be allowed. The Kanungo Committee has recommended progressive reduction in transmission loss @ 0.3% per year and this should be followed. The consumers should not be doubly burdened due to increased transmission loss and interest and depreciation accruing from asset addition.
170. Some Members opined in the meeting that due to low voltage on account of inaction of OPTCL consumers of Orissa are suffering. The East Coast Railway (ECR) submitted in the meeting of SAC that the quality of power supply in the state is deteriorating day by day. For Railways, especially Kaipadar Road, Kendrapara Road & Solari traction sub-stations under CESU are frequently affected due to interruptions/voltage variations. The Mail Express Trains in Berhampur-Khurda Road-Puri-Cuttack sections losing punctuality almost every day not only giving very bad image to East Coast Railway at Ministry of Railways/New Delhi but also causing inconvenience to the traveling public. ECR submitted its specific opinion that quality of power supply is to be improved, priority should be given to Railways and power restrictions in Railway Traction category should not be imposed.
171. On the whole, the SAC Members stressed on reduction of loss and cost of supply to ultimate consumers and improvement in performance standard and opined for a moderate rise in tariff which must be accompanied by improvement in quality of supply and service to the consumers.

COMMISSION’S OBSERVATIONS (Para 172 to 235)

172. The Commission, for approval of ARR for SLDC functions and determination of Annual Fees and Charges for FY 2010-11 followed the same principle as laid down in the Electricity Act, 2003, CERC (Fees and Charges of RLDC and Other Related Matters) Regulation, 2009 and other subordinate Regulations.

173. These principles forming the basis of this ARR determination exercise are dealt in greater details in the main text of this order under the relevant components of the ARR.

Annual Charges

174. The Commission analysed in detail the basis for determination of the Annual Charges based on CERC Regulation, 2009. The annual charges of State Load Despatch Centre consists of the following components.

- (a) Return on equity;
- (b) Interest on loan capital;
- (c) Depreciation;
- (d) Operation and maintenance expenses excluding Employee Cost;
- (e) Employee Cost; and
- (f) Interest on working capital;

Return on Equity (RoE)

175. The Commission does not approve any Return on Equity as the equity component is Zero in case of SLDC.

Interest on Loan Capital

176. The Commission does not approve any interest on loan capital as there is no outstanding loan /loan proposed for SLDC expenditure for FY 2010-11.

Depreciation

177. OPTCL has proposed a provision of Rs.27.802 lakh for FY 2010-11 towards depreciation of assets in the Unified Load Despatch Centre (ULDC) and offices in SLDC and the details are shown in Table-below :

Table - 20
Calculation of Depreciation

			(Rs. lakh)
Name of the Assets	Gross Block as on 31.3.2010	Depreciation Rates as per CERC's Depreciation Rate Schedule (%)	Depreciation amount for the year 2010-11
1	2	3	4 (Col.2XCol.3)
Land	13.00	0.00	0.000
Office Building	78.00	1.63	1.271
Residential Building	50.00	1.63	0.815
Roads	05.00	100.00	5.000
Battery	09.85	5.28	0.520
Isolation transformer & ACDB for UPS	13.00	5.28	0.686
Underground Cables	00.05	5.28	0.003
Overhead LT lines	01.00	5.28	0.053
AC Plant	00.20	5.28	0.011
Split type Air Conditioner	05.80	5.28	0.306
DG set	06.11	5.28	0.323
Office Furniture	01.00	6.33	0.063
Office equipment	00.10	6.33	0.006
Internal Wiring	00.10	6.33	0.006

Name of the Assets	Gross Block as on 31.3.2010	Depreciation Rates as per CERC's Depreciation Rate Schedule (%)	Depreciation amount for the year 2010-11
Street Light	12.00	5.28	0.634
Communication Equipment (intercom system)	00.05	6.33	0.003
IT equipment such as computers, printers including equipments at EASSC	98.00	15.00	14.700
Software for EASSC	08.00	30.00	2.400
End User's equipments such as router etc. to receive the metering data	06.60	15.00	0.990
Vehicle	00.22	5.28	0.012
Total	308.08		27.802
Weighted Average Rate of Depreciation (%)	9.02		

178. Further, OPTCL has proposed depreciation towards recovery of total capital expenditure of Rs.578.10 lakh to be spent for SLDC during FY 2010-11 through depreciation. OPTCL, therefore, has proposed the cumulative depreciation cost of Rs.605.902 lakh for FY 2010-11. The details of depreciation proposed by OPTCL are shown in Table 20 above.

Table-21
Statement of Depreciation (Rs. lakh)

ITEM	FY 2010-11
Recovery of Capital Cost (Amount to be recovered during the year)	578.100
Depreciation on existing assets	27.802
Cumulative depreciation on capital recovery and existing assets	605.902

179. The Commission hereby approves only Rs.27.802 lakh proposed by OPTCL under Depreciation for FY 2010-11, the details of which are mentioned in Table above.

Operation and Maintenance (O&M) Expenses:

180. The O&M expenses for SLDC for FY 2010-11 are considered under the following heads:

- a. Employee Cost including Compensation
- b. Repair & Maintenance (R&M) Cost
- c. Administration & General (A&G) Cost
- d. Less Capitalised

Employee Cost (Human Resource Expenses):

181. OPTCL has projected the Employee cost including compensation at Rs.449.449 lakh. The details of Employee cost including compensation are shown in Table below :

Table - 22
Employee Cost including Compensation proposed for SLDC for FY 2010-11
(Rs. lakh)

Sl. No.	Account Code	Executive		Non-Executive		Total
		Technical	Non-Tech.	Technical	Non-Tech.	
1						
2	Salaries	180.072	9.120	20.280	35.040	244.512
3	Over-time					
4	Dearness Allowance	72.029	3.648	8.112	14.016	97.805
5	Other Allowance such as shift, conveyance, ABT, green card, washing, type, etc.	14.547	0.557	1.045	1.816	17.964
6	Bonus					
7	Compensation for LDC Personnel					0.600
8	Sub Total (1 to 6)	266.648	13.325	29.437	50.872	360.881
9	OTHER STAFF COST					
10	Reimbursement of Medical Expenses	9.004	0.456	1.014	1.752	12.226
11	Leave Travel Concession	0.250	0.250	0.250	0.250	1.000
12	Reimbursement of House Rent	36.014	1.824	4.056	7.008	48.902
13	Interim Relief to Staff					0.000
14	Encashment of Earned Leave					0.000
15	Honorarium					0.000
16	Payment under Workmen compensation Act					0.000
17	Ex-gratia					0.000
18	Expenditure on VRS					0.000
19	Sub Total (8 to 16)	45.268	2.530	5.320	9.010	62.128
20	Staff Welfare Expenses	0.060		0.040	0.000	0.100
21	Terminal Benefits	20.000		6.000	0.000	26.000
22	Provisions					0.000
23	Others (Specify)			0.040	0.300	0.340
24	Total (7+17+18+19+20+21)	331.976	15.855	40.837	60.182	449.449
25	Revenue recovered, if any					0.000
26	Net Total (22-23)	331.976	15.855	40.837	60.182	449.449

182. The employee cost has been determined based on actual expenditure incurred by SLDC during FY 2009-10 (April to November, 2009) and prorated expenses for SLDC for FY 2009-10 based on actual expenses for the period from April to November, 2009 & the annual increment of 3% over the prorated expenses of SLDC for 2009-10. The employee cost approved by the Commission for FY 2010-11 is given in the Table below:

Table-23
Employee Cost proposed and approved for SLDC for FY 2010-11

Particulars	FY 2009-10 (Prorated)	(Rs. lakh)	
		Proposed by OPTCL for SLDC & Sub-LDCs for FY 2010-11	Approved by the Commission for FY 2010-11
Actual working strength	48 Nos.	86 Nos.	At par with ERLDC (81 Nos.)
Employee Expenses	353.97	449.45	364.92
Additional Expenses for implementation of Intra- State ABT during FY 2010- 11	-	-	85.00
Less Expenses Capitalized	0.00	0.00	0.00
Net Employee Expenses	353.97	449.45	449.92

Administration & General (A&G) Expenses

183. The A&G expenses comprise of several heads such as insurance, conveyance expenses, telephone expenses, vehicle hiring charges, rents, stationery expenses, electricity charges, entertainment expenses, legal expenses, audit fees, technical and professional fees, taxes, stamp charges, conveyance, security and service charges, other miscellaneous charges etc.
184. Administrative and General (A&G) Expenses have been projected by OPTCL for SLDC at Rs.112.040 lakh for FY 2010-11. The component-wise details of Administrative and General Expenses projected for FY 2010-11 are furnished in Table below:

Table -24
Details of Administrative & General (A&G) Expenses (Rs. lakh)

Sl.No.	Description	Actuals for previous Financial Year 2008-09	Current Financial Year			Estimates for ensuing year
			Actual For First Six Months (up to Sept, 2009	Projection For Balance Six Months	Total	
PROPERTY RELATED EXPENSES						
1	Licence Fees		0.000	0.000	0.000	0.000
2	Rent		0.000	0.000	0.000	0.000
3	Rates & Taxes		0.000	0.000	0.000	0.000
4	Insurance	6,126.00	0.056	1.000	1.056	5.000
5	Contribution to accident reserve fund		0.000	0.000	0.000	0.000
6	Sub total		0.056	1.000	1.056	5.000
COMMUNICATION						
7	Telephone & Trunk Call	467,772.00	2.148	3.000	5.148	7.000
8	Postage & Telegram	22,973.00				
9	Telex, Teleprinter Charges, Telefax		0.093	0.150	0.243	0.500

Sl.No.	Description	Actuals for previous Financial Year 2008-09	Current Financial Year			Estimates for ensuing year
			Actual For First Six Months (up to Sept, 2009)	Projection For Balance Six Months	Total	
10	Courier Charges		0.004	0.010	0.014	0.020
11	Other		0.000	0.000	0.000	0.000
12	Sub total		2.245	3.160	5.405	7.520
PROFESSIONAL CHARGES						
13	Legal expenses		0.000	0.500	0.500	1.000
14	Consultancy charges		0.186	0.300	0.486	1.000
15	Technical fees		0.000	0.000	0.000	0.000
16	Audit fees		0.000	0.000	0.000	0.000
17	Other charges		0.000	0.000	0.000	0.000
18	Sub total		0.186	0.800	0.986	2.000
CONVEYANCE & TRAVELLING						
19	Conveyance expenses (Fuel)	173,378.00	0.697	1.000	1.697	2.000
20	Travelling expenses	365,901.00	0.701	1.500	2.201	3.000
21	Hire charges of vehicle	75,939.00	0.375	1.000	1.375	2.000
22	Others		0.000	0.000	0.000	0.000
23	Sub total		1.773	3.500	5.273	7.000
OTHER EXPENSES						
24	Electricity charges	2,160,724.00	11.600	13.000	24.600	30.000
25	Fees & Subscription	90,705.00	0.000	0.000	0.000	0.000
26	Books & Periodicals	3,640.00	0.016	0.010	0.026	0.500
27	Printing & Stationery	87,548.00	0.684	1.000	1.684	2.000
28	Advertisement		0.000	0.010	0.010	0.020
29	Entertainment	6,956.00	0.025	0.100	0.125	0.500
30	Watch & Ward	305,579.00	1.518	2.000	3.518	4.000
31	Miscellaneous	118,648.00	0.242	0.500	0.742	1.000
32	Organisational Development Expenses		0.000	0.000	0.000	0.000
33	Outsourcing of collection of Metering data from regional interconnection points	1,034,575.00	5.494	0.000	5.494	0.000
34	Training (including certification of operators)	68,536.00	0.620	1.500	2.120	50.000
35	Sub total		20.198	18.120	38.318	88.020
MATERIAL RELATED EXPENSES						
36	Demurrage and Wharfage on materials		0.000	0.000	0.000	0.000
37	Clearing & forwarding charges		0.000	0.000	0.000	0.000
38	Transit insurance		0.000	0.000	0.000	0.000
39	Sub total		0.000	0.000	0.000	0.000
40	Others (Specify)					
40(a)	Gardening	1,060.00	0.009	0.200	0.209	0.500
40(b)	Meetings	84,902.00	0.248	0.400	0.648	1.000
40(c)	Office up-keeping	48,000.00	0.318	0.500	0.818	1.000
41	Sub total		0.575	1.100	1.675	2.500

Sl.No.	Description	Actuals for previous Financial Year 2008-09	Current Financial Year			Estimates for ensuing year
			Actual For First Six Months (up to Sept, 2009)	Projection For Balance Six Months	Total	
42	Total(6+12+18+23+35+39+40)		25.034	27.680	52.714	112.040
43	Revenue recoveries, if any		0.000	0.000	0.000	0.000
44	Net Total (42-43)		25.034	27.680	52.714	112.040

185. Considering the views of all stakeholders and the SLDC, the following quantum of expenditure is approved by the Commission for FY 2010-11.

Table –25
A&G expenses proposed for SLDC and approved by OERC
(Rs. lakh)

Particulars	FY 2009-10 (Prorated Figure)	Proposed for SLDC for FY 2010-11	Approved by OERC for FY 2010-11
Gross A&G expenses	25.00	62.040	25.00
Certification of SLDC personnel	-	50.00	50.00
(less) Expenses capitalized	0.00	0.00	0.00
Net A&G expenses	25.00	112.040	75.00

Repair & Maintenance (R&M) Expenses

186. OPTCL has proposed Repair & Maintenance (R&M) Cost for FY 2010-11 as Rs.201.800 lakh. The details of R&M expenses proposed in the ARR are shown in Table below:

Table –26
R&M Expenses proposed for SLDC for FY 2010-11
(Rs. lakh)

Sl.No.	Description	Actuals for previous Financial Year 2008-09 in Rs.	Current Financial Year			Estimates for ensuing year 2010-11
			Actual For First Six Months Up to 09/09	Projection For Balance Six Months of current year	Total during the current year	
1	Consumption of stores and spares		0.000	0.000	0.000	0.000
2	Loss of stores and spares		0.000	0.000	0.000	0.000
3	Plant & Machinery repairs and maintenance (R/M of 2 nos. light vehicle)	103632.000	0.240	0.800	1.040	1.500
4	Civil works repairs and maintenance		0.000	0.500	0.500	20.000
5	ERP Training, Data entry & Data integration		0.000		0.000	8.000

Sl.No.	Description	Actuals for previous Financial Year 2008-09 in Rs.	Current Financial Year			Estimates for ensuing year 2010-11
			Actual For First Six Months Up to 09/09	Projection For Balance Six Months of current year	Total during the current year	
6	Facility Management Services (FMS)		0.000		0.000	30.000
7	Web site service charges		0.100	0.100	0.200	0.500
8	Bend width charges for WAN		0.000		0.000	48.000
9	AMC charges for:-					
9a	V-Sat	711160.000	1.402	2.000	3.402	0.600
9b	SCADA/EMS equipment					40.000
9c	APS equipment					35.000
9d	Computers and peripherals, Software,					8.000
9e	FAX , V-Sat, Photocopier , Air Conditioners etc					10.000
9f	Repair and maintenance of Furniture and fixtures		0.000	0.050	0.050	0.200
10	Total (1to9)	814792.000	1.742	3.400	5.142	201.800
11	Revenue recoveries, if any					0.000
12	Net Total (10-11)	814792.000	1.742	3.400	5.142	201.800

187. The Commission finds that the R&M expenses proposed for SLDC for FY 2010-11 include a major sum of the amount towards AMC charges, Bandwidth charges for WAN & Facility Management Services (FMS), etc. The Commission therefore, approves the proposed amount of Rs.201.800 lakh for R&M expenses relating to SLDC and Sub-LDCs at Bhubaneswar, Meramunduli, Jayanagar and Budhipadar during FY 2010-11. This should be spent with due planning so that these Load Despatch and Sub-Load Despatch Centres bear a new look in FY 2010-11.

Interest on Working Capital

188. OPTCL has projected the interest on working capital at Rs.121.41 lakh considering 12% rate of interest. The details are shown in Table below:

Table - 27

Calculation of Interest on Working Capital Proposed for SLDC

Sl. No.	Particulars	Amount (Rs. lakh)
1	O & M Expenses excluding Human Resource Expenses (7-A) & including A & G Expenses	313.84
2	Human Resource Expenses (7-B4)	449.45
3	Receivables (2 months of SOC & MOC)	248.43
4	Total Working Capital	1011.72
5	Rate of Interest	12.0%
6	Interest on Working capital	121.41

189. On scrutiny, it was observed that the Interest on Working Capital was wrongly calculated by OPTCL for SLDC. The Commission, therefore, approves an amount of Rs.22.33 lakh towards the Interest on Working Capital for FY 2010-11, the details of which are given in the Table below:

Table-28

Approved Interest on Working Capital for FY 2010-11

Particulars	Amount (Rs. lakh)
O & M expenses excluding Employee Cost for one month	23.07
Employee Cost for one month	37.49
Receivables (2 months of SOC & MOC)	129.48
Total Working Capital	190.04
Rate of Interest	11.75%
Interest on Working Capital	22.33

Capital Expenditure (CAPEX) Plan

190. SLDC has projected a CAPEX plan costing Rs.578.10 lakh to be incurred during FY 2010-11. The details of CAPEX plan are shown in Table below:

Table - 29

Elements of Capital Cost proposed by SLDC for FY 2010-11

Details of Items	Proposed Cost (Rs. lakh)
Civil Works	
Improvement to Residential building in the colony at Mancheswar	25.000
Leak proof treatment to roof of Residential Buildings	10.000
Drainage & sewerage system	10.000
Total Civil Works	45.000
Establishment of EASS (on going work, liabilities)	10.000
Equipments	
Computer (12nos.), Laser Printer (2nos.)	6.200
Precision AC (3 units) for EASS	21.000
LCD projector (1 no.)	0.800
Laptop (2 nos.)	1.000
20kVA UPS (3 nos.) for each floor	21.000
Photocopying Machines (2 nos.)	2.500
Fire Fighting Equipment	3.000
Replacement of 2X2 quadrant VPS by 4X4 quadrant VPS in ULDC control room	352.000
Total Equipments	407.500
Miscellaneous	
Hiring of BSNL link for data transfer from 3 nos. hub stations at Jaynagar, Meramundali, Budhipadar as secondary communication link	20.000
Establishment of Wide Area Network (WAN) for collection of metering data from DISCOM interconnection points to EASS centre at SLDC.	6.600
ERP Licensing Cost for 20 nos. Licences	9.000

Details of Items	Proposed Cost
ERP Modules implementation efforts	50.000
Access Control System	3.500
Pest Control System	1.000
Voltage Surge Suppressor	0.500
Oracle User Licence	25.000
Total Miscellaneous	115.600
Total Capital cost	578.100

191. The Commission decides not to approve the proposed CAPEX of Rs.578.10 lakh through depreciation, but hereby allows the CAPEX expenditure, if any, during FY 2010-11 to be met out of the amount available in SLDC Development Fund with prior specific approval of the Commission. OPTCL is hereby directed to file the CAPEX Plan for SLDC for FY 2010-11 by 30th April, 2010 before the Commission for approval.

Contingency Reserve

192. OPTCL has not made any provision on this account for FY 2010-11. Hence, the Commission does not approve any amount under this head.

193. Against Rs.966.00 lakh approved for 2009-10 and Rs.1490.60 lakh proposed by SLDC for 2010-11, the Commission approves Rs.776.85 lakh for 2010-11. . The details of Expenses proposed by OPTCL in the ARR of SLDC and approved by the Commission for FY 2010-11 are depicted in the Table below:

Table - 30
Summary of ARR of SLDC for FY 2010-11

(Rs. lakh)

Sl. No.	Item	Approved for 2009-10	Proposed for SLDC for FY 2010-11	Approved by OERC for FY 2010-11
1	Employee Cost including compensation	395.00	449.45	364.92
2	Additional Compensation for implementation of Intra-State ABT during FY 2010-11	150.00	----	85.00
3	R&M Expenses	100.00	201.80	201.80
4	A&G Expenses (Including Certification of SLDC personnel)	115.00	112.04	75.00
5	Depreciation	6.00	605.90	27.80
7	Interest on loan	0	0.00	0.00
8	Interest on Working Capital	0	121.41	22.33
9	Return on Equity	0	0.00	0.00
10	Contingency Reserve	0	0.00	0.00
	TOTAL	766.00	1490.60	776.85
		(excluding Rs.200.00 lakh for infrastructure development of EASSC/EBC		

Determination of Annual Charges of SLDC

194. The Annual Charges for SLDC have been proposed by OPTCL as per provisions in Regulation 20, 21, 22 & 23 of CERC (Fees & Charges of RLDC & other related matters) Regulations, 2009. The Annual Charges for SLDC Operations during FY 2010-11 have been approved by the Commission at Rs.776.85 lakh/annum and Rs.64.74 lakh/month which are to be recovered from the users who use the Intra-State Transmission Network or the associated facilities and services of SLDC during the ensuing year.
195. CERC Regulation, 2009 defines the System Operation Function & Market Operation Function as under:
- **‘System Operation Function’** includes monitoring of grid operations, supervision and control over the Intra-State Transmission System, real-time operations for grid control & dispatch, system restoration following grid disturbances, compiling and furnishing data pertaining to system operation, congestion management & black start coordination etc.
 - **‘Market Operation Function’** includes functions of scheduling, dispatch, metering, data collection, energy accounting and settlement, transmission loss calculation and apportionment, operation of pool account and congestion charge account, administrating ancillary services & information dissemination etc.
196. CERC Regulation, 2009 specifies that the Annual Charges should comprise of
- A) System Operation Charges (SOC) i.e. 80% of Annual charge**
 - B) Market Operation Charges (MOC) i.e. 20% of Annual charge**
197. **As per CERC Regulation, 2009, System Operation Charges (SOC)** shall be collected from the users in the following ratio
- Intra-State Transmission Licensee-10% of the SOC on the basis of Ckt-KMs
 - Generating Companies & Sellers - 45% of the SOC on the basis of Installed Capacity or Contracted Capacity
 - Distribution Licensees & Buyers- 45% of the SOC in proportion to the sum of their allocation & Contracted Capacities
198. **As per CERC Regulation, 2009, Market Operation Charges (MOC)** shall be collected equally from the DISCOMs and Generating Companies apportioning to the entitlement and installed Capacity/ Contracted Capacity.
199. The Commission has, therefore, considered Annual Charges (AC) of SLDC Operations for FY 2010-11 at Rs.776.85 lakh/annum i.e. Rs.64.74 lakh/month to be recovered through SOC & MOC as under:
- System Operation Charges (SOC) (80% of AC) – Rs.621.48 lakh/annum or Rs.51.79 lakh/month.
 - Market Operation Charges (MOC)(20% of AC) – Rs.155.37 lakh/annum or Rs.12.95 lakh/month

System Operation Charges (SOC)

200. The System Operation Charges (SOC) of Rs.621.48 lakh/annum or Rs.51.79 lakh/month shall be apportioned for collection from the following stakeholders as under:

- Intra –State Transmission Licensee @ 10% of SOC- Rs.62.15 lakh/annum or Rs.5.18 lakh/month.
- Generating Stations & Sellers @ 45% of SOC..... Rs.279.67 lakh/annum or Rs.23.31 lakh/month.
- DISCOMs & Buyers @ 45% of SOC..... Rs.279.67 lakh/annum or Rs.23.31 lakh/month.

201. Recovery of System Operation Charges (SOC)

- The recovery of SOC from OPTCL as Intra-State Transmission Licensees shall be 10% of SOC of Rs.62.15 lakh/annum and Rs.5.18 lakh/month.
- The recovery of SOC from the Generating Stations & Sellers based on installed capacity of all generators and CGPs as assessed by OPTCL at 4001.50 MW shall be @ Rs.6,989.04/MW/annum or @ Rs.582.42/MW/month.
- The recovery of SOC from the Distribution Licensees & Buyers shall be based on the percentage of Energy Consumption for FY 2010-11 & shall be as shown in Table below:

Table-31

Apportionment of Annual & Monthly SOC Charges amongst Distribution Companies for FY 2010-11

Name of DISCOMs	Energy Consumption approved by OERC for FY 2010-11 (In MU)	% Share of Energy Consumption	Annual Charge (Rs. lakh)	Monthly Charge (Rs. lakh)
CESU	6,420.00	31.86	89.09	7.43
NESCO	5,122.00	25.41	71.08	5.92
WESCO	6,244.00	30.98	86.64	7.22
SOUTHCO	2,368.00	11.75	32.86	2.74
Total	20,154.00	100.00	279.67	23.31

Market Operation Charges (MOC)

202. The Market Operation Charges (MOC) of Rs.155.37 lakh/annum or Rs.12.95 lakh shall be apportioned for collection from the following stakeholders as under:

- Generating Stations & Sellers @ 50% of MOC..... Rs.77.69 lakh/annum or Rs.6.47 lakh/month
- DISCOMs & Buyers @ 50% of MOC..... Rs.77.69 lakh/annum or Rs.6.47 lakh/month

203. Recovery of Market Operation Charges (MOC)

- The recovery of MOC from the Generating Stations & Sellers based on installed capacity of all generators and CGPs as assessed by OPTCL at 4001.50 MW shall be @ Rs.1941.40/MW/annum or @ Rs.161.78/MW/month.
- The recovery of MOC from the Distribution Licensees is based on the percentage of Energy Consumption for FY 2010-11 & is shown in Table below:

Table-32
Apportionment of Annual & Monthly MOC Charge amongst Distribution Companies for FY 2010-11

Name of DISCOMs	Energy Consumption approved by OERC for FY 2010-11 (In MU)	% Share of Energy Consumption	(Rs. lakh)	
			Annual MOC Charge (Rs. lakh)	Monthly MOC Charge (Rs. lakh)
CESU	6,420.0	31.86	24.75	2.06
NESCO	5,122.0	25.41	19.74	1.65
WESCO	6,244.0	30.98	24.07	2.01
SOUTHCO	2,368.0	11.75	9.13	0.76
Total	20,154.0	100.00	77.69	6.47

Registration Fee

204. OPTCL has proposed for collection of one time Registration Fee of Rs1.00 lakh from all users whose Scheduling, Metering & Energy Accounting are coordinated by SLDC. The Commission here by approves the proposal of OPTCL for collection of one time Registration Fee of Rs1.00 lakh by SLDC from all users which may be deposited in SLDC Development Fund.

Application Fee and Scheduling Charges:-

205. OPTCL in its ARR application for SLDC has proposed that the Application Fee and Scheduling Charges of Rs.5000/- per application and Rs.2000/- per day or part there of shall be paid by the Short Term Open Access (STOA) Customers. The Commission hereby approves the aforesaid Application Fee and Scheduling Charges for STOA customers payable to SLDC during FY 2010-11.
206. The details of ARR & Annual and Monthly Charges for FY 2010-11 for SLDC for collection from different stakeholders approved by the Commission are summarized in Table below:

Table -33

Sl. No.	Particulars	Unit	Approved for 2010-11	
			Per annum	Per month
1	ARR of SLDC	Rs. lakh	776.85	64.74
2	Intra-State transmission licensee to pay SOC to SLDC	Rs. lakh	62.15	5.18
3	Generating Stations & Sellers to pay SOC & MOC to SLDC (Rs. per MW calculated considering generation capacity of 4001.50 MW)	Rs. lakh	357.35 (Rs.8930.44 per MW)	29.78 (Rs.744.20 per MW)
4	Distribution Licensees & Buyers to pay SOC & MOC to SLDC	Rs. lakh	357.35	29.78
	(i) CESU	Rs. lakh	113.83	9.49
	(ii) NESCO		90.82	7.57
	(iii) WESCO		110.71	9.23
	(iv) SOUTHCO		41.99	3.50

Payment Mechanism of Annual Charges to SLDC

207. As per clause 11 of the Orissa Electricity Reforms (Transfer of Transmission and Related Activities) Scheme, 2005, the transmission charge of OPTCL is duly secured by a first charge over the receivables of GRIDCO from DISCOMs and other Open Access Customers in favour of OPTCL. Receivables of DISCOMs are escrowed in favour of GRIDCO. As on today there is no escrow arrangement between DISCOMs and OPTCL. DISCOMs are users of Intra-State Transmission network of OPTCL. OPTCL is used to bill the Distribution Companies for the use of transmission services on the basis of meter reading at the delivery point to DISCOMs with a copy to GRIDCO. This bill is being paid by GRIDCO to OPTCL from the receivables of DISCOMs escrowed with them.
208. On the basis of the aforesaid principle mentioned in Para above, the monthly SOC & MOC Charges for SLDC shall also be duly secured by a First Charge over the receivables of GRIDCO in favour of SLDC from the escrowed amount of DISCOMs based on the bills served by SLDC to DISCOMs with copy to GRIDCO for use of Intra-State transmission system as well as the services of SLDC. Further, GRIDCO is to give a standing instruction to DISCOMs to release the required amount payable to SLDC by relaxing the Escrow amount. The Customers other than DISCOMs shall pay the Annual Charges to SLDC directly based on the bills served upon them from time to time by SLDC.
209. The Customers other than DISCOMs shall pay an amount equivalent to two months' monthly SOC & MOC Charges as the case may be in advance as security against default in payment of SOC & MOC Charges of SLDC.
210. As per the approval by the Commission in Table 33, SLDC should bill both MOC & SOC per MW/month in terms of total contracted capacity of 4001.50 MW for FY 2010-11 to Generating Stations & Sellers. Similarly, SLDC shall bill to OPTCL & Distribution Licensees every month at the rates approved by the Commission for FY 2010-11.
211. If the SOC & MOC Charges, as the case may be, are not paid by the due date(s) by the Customers other than DISCOMs, surcharge at the rate of 1.25 percent per month shall be levied on the unpaid amount.
212. The SOC & MOC Charges of SLDC shall be paid monthly by the Customers based on the monthly bills served upon them by SLDC following the principle of payment mechanism mentioned above.

SLDC Development Fund

213. Based on the provision in Regulation-9 of CERC Regulation, 2009, the Commission hereby approves to create a separate fund called "SLDC Development Fund" under a separate head of account under SLDC with effect from 01.04.2010.
214. The entire balance amount approved in SLDC ARR for FY 2009-10 and remained unspent as on 31.03.2010 shall be transferred and deposited in the aforesaid "SLDC Development Fund".
215. The miscellaneous income of SLDC such as Registration Fee, Application Fee, Short-term Open accesses Charges etc. shall be deposited in the SLDC Development Fund.

216. The SLDC shall be entitled to utilize the money from SLDC Development Fund in assets creation and margin money for raising loan from FIs for assets creation & funding of R & D Projects, if any relating to Odisha Power System.
217. Any assets created by SLDC out of money available in SLDC Development Fund shall not be considered for computation of Return on Equity & Interest on Loan.
218. The Commission will review the SLDC Development Fund twice a year.

Implementation of Intra-State ABT

219. OERC (Intra-State ABT) Regulation, 2007 was published in Odisha Gazette on 14.02.2008. As per Regulation 1 (III), OERC (Intra-State ABT) Regulation, 2007 is in force from 14.02.2008 i.e. the date of publication in the Official Gazette.

220. Status of implementation of Intra-State ABT

- The licensees i.e. DISCOMs were yet to implement the Intra-State ABT in the State as Distribution System Operation and Control Center (DSOCC) of DISCOMs were not fully operational for On-Line monitoring and operation of Intra-State ABT.
- SLDC was not geared up and had not established Energy Accounting & Settlement System Centre (EASSC) for preparation of both provisional & final monthly Energy Account, weekly UI Account & weekly Reactive Energy Account
- On-Line Schedule vs. Drawal data were not available.

221. Three meetings were held in the Conference Hall of the Commission on 18.07.2009, 17.09.2009 and 25.11.2009 where the matters relating to implementation of Intra State ABT were discussed thread bare step by step in the presence of the representatives of the various stake holders, i.e. DISCOMs, GRIDCO, SLDC & OPTCL.

222. In the 3rd meeting held on 25.11.2009, Joint Director (IT), OERC presented the On-Line data of all DISCOMs indicating their individual drawal in 15 minute mode with the corresponding frequency and the UI charges which were available in OERC Web Site www.orierc.org under Utility Interface w.e.f. 20.11.2009. As the On Line Data are available, it was suggested and agreed in the 3rd meeting held on 25.11.2009 to hold a full day workshop on the “Mock Exercise” in the premises of OERC on 23.12.2009 for implementation of Intra State ABT in 15 minute mode.

223. A full day “Mock Workshop” was held in the Conference Hall of the OERC on 23.12.2009 for implementation of Intra-State ABT. During the period of “Mock Workshop”, an effective inter-action between each DISCOM and SLDC was made as regards to their command area; points of injections of power to each DISCOM, points of Intra-DISCOM transfer and its energy accounting etc.

224. A consensus emerged in the “Mock workshop” held on 23.12.2009 for effective implementations of intra-State ABT which were as under:-

- Intra-State ABT will be implemented in First Phase with DISCOMs vis-à-vis GRIDCO.
- Generators, CGPs & other beneficiaries will join in Second Phase after successful operation of First Phase.

- All the DISCOMs should fully strengthen their DSOCs for implementation of Intra-State ABT on 24x7 hours for real time operation mode deploying the required manpower and infrastructure.
- All the DSOCs should arrange to display the Schematic Diagram showing from the OPTCL network from the Exchange Metering Points to Distribution network up to 11 KV feeders of the respective DISCOM.
- All the 33 KV Feeders except the feeders supplying to Process Industries, District HQs and State Capital should be grouped under Category 'A', Category 'B' and Category 'C' are to be provided with UFR at graded settings and the same may be intimated to OPTCL by 15.01.2010 for initiating the appropriate action for installation of such UFRs.

225. **Difficulties expressed by DISCOMs during ARR hearings for implementation of Intra-State ABT**

During hearings on ARR Applications of DISCOMs for FY 2010-11, DISCOMs have expressed their difficulties as under for implementation of Intra-State ABT (Phase-I).

- **CESU** has given utmost importance for implementation of the schedule given by SLDC. All field level officers have been instructed to strictly follow the schedule. However, due to some confusing media report, in some places the field units of CESU may have unintentionally deviated the schedule buckling under the public pressure resulting in over drawal from the Grid.
- **NESCO** has stated that NESCO it was getting a schedule of 420 MW from SLDC against the average drawal of 530 MW. NESCO is facing difficulties to curtail the demand of 5 Traction Consumers, 2 Defence Consumers & 3 Emergency Power Consumers. NESCO has ascertained that the implementation schedule given by SLDC is not correct as SLDC is taking average assessed data for Kuchei & Bhadrak Grid Sub-stations due to non-availability of real time data. NESCO has already given requisition to OPTCL for installation of UFRs on the 33 KV Feeders at different Grid Sub-Stations as per the decision in the Workshop held on 23.12.2009.
- **WESCO** has stated that WESCO at present is not fully equipped in all respects for implementation of Intra-State ABT (Phase-I). WESCO has underlined the following practical difficulties encountered during implementation of Intra-State ABT.
 - There is no such special feeder for giving power supplies on priority basis to Hospital, Water supply and Railways etc. and they are all availing power supply from shared feeders, so the Intra-State ABT implementation is becoming increasingly difficult.
 - There is no control mechanism to regulate the power supply of individual industrial consumer, so the implementation of Intra-State ABT mechanism is a difficult task.
 - In all the existing 97 nos of 33KV feeders, all the feeders have no incoming VCBs and similarly in case of all 463 nos 11KV feeders, all the 11KV feeders have no outgoing VCBs.

- DSOCC requires real time data acquisition from all 33/11KV Substations (SCADA system) for proper implementation of Intra-State ABT.
 - **SOUTHCO** has stated that after implementation of the schedule given by SLDC, it is noticed that at times SLDC directly restricts drawal of SOUTHCO by instructing OPTCL Grid Substations to reduce power further after 6 P.M. & also from 6 A.M. to 6 P.M. resulting in consumers' dissatisfaction because of frequent load restriction in the area of SOUTHCO. SOUTHCO has further stated that the data given by SLDC is also mismatched with the load allocated and load drawal as per the implementation schedule. The drawal data of SOUTHCO available in the website of OERC relates to past 15 minute drawal of 220KV Auto Transformer which does not help SOUTHCO to manage the drawal within the schedule. Some times OPTCL extended the Machhkund supply of Odisha share up to Mohana Grid Substation on which SOUTHCO has no control. These problems need to be sorted out/ addressed before the implementation of Intra-State ABT (Phase-I).
226. The Commission expresses its displeasure that the actions taken by all the stakeholders especially DISCOMs in commercial implementation of Intra-state ABT in the State are not at all satisfactory. The difficulties, as pointed out by DISCOMs now, could have been addressed by them long back. It is the responsibility of the DISCOMs to take appropriate action to restrict their overdrawl and Intra-State ABT is only a tool of commercial signal so that DISCOMs remain within the energy drawl approved by the Commission for each DISCOM. The Commission hereby directs all DISCOMs to make their DSOCs fully operational by 31.03.2010 with deployment of requisite personnel, hardware & software to man these DSOCs on 24x7 hour basis. The Commission also hereby directs OPTCL to install the UFRs on all 33 KV feeders with graded settings by 31.03.2010 as per the requisition of DISCOMs. The Commission further directs SLDC to set-up and commission EASSC by 31.03.2010 so that SLDC should prepare & issue monthly Energy Accounts, weekly UI & Reactive Energy Accounts w.e.f. 01.04.2010.
227. The Commission would decide shortly the exact date of implementation of Intra-State ABT (Phase-I) for commercial settlement of UI & Reactive Energy Account.

Functioning of SLDC

228. As per the Commission's order dt.20.3.2009, the SLDC is required to be ring-fenced and function as an independent system operator. But the Commission notes with anguish and dismay the way the SLDC is functioning at present during FY 2009-10. It is found that not a single directive out of seven directives mentioned at Para-201 to 207 of the Commission's Order dated 20.3.2009 has been complied by OPTCL till date. Neither a Director has been posted nor has a single Staff been added to SLDC during FY 2009-10 against the approval of 81 nos. by the Commission. During the public hearing on 18.02.2010, to the queries of the Commission, the representative of OPTCL submitted that OPTCL has not yet sent the requisition for the post of Director to Govt. of Odisha and the SLDC staff strength has been reduced from previous 53 nos. during FY 2008-09 to 48 nos. during FY 2009-10. The Commission is very much surprised to observe from the Cash-flow Statement of SLDC filed by OPTCL for FY 2009-10(From April,09 to January, 2010) that against the Cash Receipt of Rs 6.18 Crore, the SLDC could spend only Rs.2.77 Crore against the very approval of the Commission of Rs.9.66 Crore for FY 2009-10. As SLDC has completely failed in all fronts to discharge its statutory function as an independent System Operator during

FY 2009-10, the Commission desires that the SLDC should be completely revamped during FY 2010-11. CMD, OPTCL is hereby directed to see that a Director is posted immediately in SLDC with full delegation of power & authority so that SLDC can effectively play its role as a nodal agency independently in Intra-State Open Access and Intra-State ABT regime.

Commission's Directives

229. As OPTCL has failed to appoint a Director even after lapse of one year of the Commission's Order, CMD OPTCL is hereby directed to post the existing Director (Tech.) as Director SLDC by 31st May, 2010.
230. The Commission directs that a separate fund styled as "SLDC Development Fund" under a separate head of account under SLDC should be established w.e.f. 01.4.2010 and the amount remained unspent as on 31.03.2010 of SLDC should be deposited in the aforesaid newly created fund.
231. The Commission directs that Energy Accounting & Settlement System Centre (EASSC) of SLDC should function from 01.04.2010 without fail and should prepare & issue the monthly Energy Account, weekly UI Account & weekly Reactive Energy Account to all the stakeholders.
232. The Commission directs that SLDC should submit Monthly Report on STOA transactions viz. No. of Applications Received, Quantum and period of STOA transactions, No. of Applications permitted for STOA, No. of Applications denied STOA with reasons thereof for information of the Commission. These information should be displayed in SLDC website for the information of all the stake-holders as well as for the information of general public.
233. The Commission further directs CMD,OPTCL that the exact number of Technical and Support Executives required at par with ERLDC as indicated in Table 23 (Para 182) should be in place within four months of this order enabling the SLDC to function as an Independent System Operator as recommended by the Girish B. Pradhan Committee of the MoP.
234. The Commission directs Chief Load Despatcher, SLDC to submit quarterly performance of SLDC by end of each Quarter for Performance Review of SLDC at the Commission at the end of each Quarter during FY 2010-11.
235. The System Operation & Market Operation Charges approved in respect of SLDC will become effective from 1st April, 2010 and shall continue until further orders.

The application of OPTCL in Case No.146 of 2009 is disposed of accordingly.

(B. K. Misra)
Member

(K. C. BADU)
Member

(B. K. DAS)
Chairperson