

Queries on GRIDCO's ARR & Tariff Filing, 2006-07

1. The energy figures for 2004-05 (actual) presented in page - 6 of ARR application need to be verified. Actual CPP consumption for 2004-05 may be submitted. It is difficult to check the accuracy of the energy consumption figures given in page - 6 in the absence of relevant TRT formats.
2. Demand projection for 2006-07 by the DISTCOs is in higher side and varies widely from those given by GRIDCO. GRIDCO may submit month-wise and company-wise demand data to substantiate its own figures on demand projected for 2006-07.
3. The basis of drawl in respect of Chukha Power House may be submitted. In ED-7, the Chukha share of GRIDCO works out to 10.51%. However, in page-3 of volume 1 of ARR application, the same is projected at 15.19%. Reasons may be explained.
4. The revised rate of Chukha presented in page 14 should be substantiated with facts and figures.
5. GRIDCO had calculated actual transmission loss for 2004-05 in TRT-8 at 3.56%, whereas the same is estimated at 5.05% for the first six months of FY 2005-06, which should be explained.
6. It is observed from calculation of transmission loss sheet TRT-8 (CY) for the period from April, 2005 to September, 2005 that the transmission loss in the EHT system varies as under:

Month	April'05	May'05	June'05	July'05	Aug.'05	Sept.'05
Tr. Loss (%)	3	3.3	6.16	4.86	3.71	6.39

It appears that the computation of transmission loss is not based on weighted average method. Therefore, the methodology of computation of the proposed figure of transmission loss at 5.05% may be justified.

7. The estimated EREB transmission loss for export of 372.13 MU is projected at 53.90 MU, which works out to 14.48%. The reasons for such a high loss projection may be explained and these figures need to be corrected. Further, GRIDCO may submit details of agreements/contracts signed between parties for trading purposes during 2006-07.
8. The projection by GRIDCO for drawal of power from OHPC (excluding Indravati) during FY 2006-07 is 3452.36 MU as against energy potential of 3676.86 MU as per PPA. Justification for acceptance of lower figure of drawal from OHPC old stations is required to be furnished.

9. Latest position of reservoir levels of all generating stations of OHPC and actual drawl thereof should be submitted.
10. GRIDCO projected a rate of 110 paise/unit for the power to be drawn from the CPPs. Evidential documents should be submitted to the Commission to substantiate the same.
11. GRIDCO has stated in page 11 of the ARR Application (Vol. I) that fixed cost claimed by TTPS in September, 2005 bill after considering downward revision of O&M charges as per CERC order, is Rs.152.02 crore. However, the said bill of September, 2005 presented in ED-5 shows fixed charges of Rs.126.68 crore. This discrepancy may be explained.
12. The fixed cost figures in respect of NTPC stations submitted by GRIDCO should be supported by relevant CERC orders/guidelines. Further, NTPC's tariff filing before CERC for the ensuing tariff year may be submitted. Alternatively GRIDCO should work out the fixed cost for central sector stations based on the latest CERC guidelines and submit the same to the Commission.
13. The details of year-end charges in respect of NTPC stations may be submitted.
14. The detailed break up of ERLDC, NLDC fees and SLDC scheduling charges estimated at Rs.14.12 crore in page-30 of Vol. I of ARR Application may be submitted.
15. GRIDCO puts the payment figure towards Open Access charges during 2004-05 at Rs.8.88 crore. The details of such charges may be furnished to the Commission.
16. The Load Generation Balance Report (LGBR) for 2006-07 may be submitted.
17. In a number of places in the write up of tariff application (Vol. I), it is observed that the figures presented do not match with those furnished in the TRT formats. The same may be verified by GRIDCO and the tariff application in its entirety may be corrected and resubmitted.
18. The following TRT formats are to be correctly filled up and submitted to enable the Commission to work out the cost/tariff details.

TRT No.	Name of TRT	Discrepancies observed
3	Assessment of consumption	This format is not filled up. Projection of consumption figures for the ensuing year will be difficult.
4	Monthly assessment of consumption	Format is kept blank.
5	Assessment of demand	Format is kept blank. Estimation of future demand is difficult.

9	Tariff for Thermal Station	Data for previous year (2004-05) & current year (2005-06) are not available.
9(A)	Tariff computation for Central Sector Thermal Station	Major part of the format is blank. It is difficult to estimate tariff for CGSs.
10	Projected tariff for Old Power Stations of OHPC	Data for previous year (2004-05) & current year (2005-06) are not available.
12	Tariff for Machkund	Data for previous year (2004-05) & current year (2005-06) are not available.
13	Tariff for Chukha	Data are filled up in the old format. The new format provided by OERC has to be filled up.
14	Tariff for CPPs	Data for previous year (2004-05) are not available.
15	FPA for Thermal Station	Figures for previous year (2004-05) are not available. FPA figures for current year (2005-06) in respect of OPGC are not available.
16 & 16(A)	Transmission tariff for PGCIL transmission system.	Data are filled up in the old format. The new formats provided by OERC have to be filled up.
17	Transmission loss for PGCIL transmission lines.	Data are filled up in the old format. The new formats provided by OERC have to be filled up.
18 & 19	Income Tax for generators, water tax and cess for thermal stations	Formats are absent.
22	Abstract of Least Cost Power Procurement	In the rate column, actual figures for the respective years may be provided.
25	Details of Export	Figure for the previous year (2004-05) is not available.
27	Summary of Un-scheduled Inter-change	Figures for the previous year (2004-05) are not available.

Finance :

19. Disaggregated balance sheets of GRIDCO and OPTCL based on audited accounts for the FY 2004-05 have not been furnished through affidavit. This may be complied.
20. GRIDCO recently furnished a statement to the Commission (in Case no.115/2004) which showed details of asset-related loans and other loans. The repayment, interest liability thereof for FY 2006-07 projected by GRIDCO do not match with the corresponding figures submitted by the licensee in TRF-3 of tariff filing. This needs clarification.
21. Detailed break up and other necessary documents relating to past losses projected by GRIDCO at Rs.1701.88 crore have to be submitted.

22. The legal sanction behind computation of reasonable return by the licensee in its tariff filing may be explained.
23. Discrepancies/Deficiencies observed in TRF formats are given below in tabular form:

TRF No.	Name of TRF	Discrepancies observed
8	Proposed charges, other than and in addition to the charges of tariff leviable for the purpose	The format is left blank.
11	Information on Cash and Bank Balance	The format is left blank.
15	A&G Expenses	Break up of A&G expenses for 2005-06 and 2006-07 are not given.
16	Consolidated report on secured/unsecured loan	Many columns are left blank.
27	Additional Financial Information	Rate of interest applicable, sources of funding and interest amount etc. should be filled up.

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

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Case No.42/2005

Date: 29.12.2005

From

M.R. Hazra, OSJS (SB),
Secretary.

To

The Chairman-cum-Managing Director,
Grid Corporation of Orissa Ltd.,
Bhubaneswar.

Sub: Annual Revenue Requirement & Tariff Application for 2006-07.

Sir,

On scrutiny of the above application, it has been noted that information and analysis with regard to a number of items which are extremely relevant for the purpose of scrutiny of Revenue Requirement and Tariff for the FY 2006-07 have not been furnished. An Annexure indicating items on which information/clarification are needed is enclosed.

You are hereby directed to furnish the information as per the queries raised in the said Annexure by 13.01.2006 along with the rejoinder positively.

Yours faithfully,

Encl: As above.

S E C R E T A R Y