

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BHUBANESWAR**

IN THE MATTER OF

An Application for approval of revised Open Access Charges for the financial year 2023-24, in accordance with the para 22, 23, 24 & 25 of chapter 5 of OERC (Terms and Conditions of Intra state Open Access) Regulation, 2020, Wheeling Charges, Cross Subsidy Surcharge, Additional Surcharge & Stand by charges applicable to open access customers for use of intra-state transmission/ distribution system, in view of section 42 of the Electricity Act-2003.

AND

IN THE MATTER OF

TP Western Odisha Distribution Ltd.
Head Office Burla, Sambalpur, Odisha-768017.

-----TPWODL

Affidavit verifying the application for approval of revised Open Access Charges for the year FY2023-24.

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

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

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

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

Place

Kshirod Chandra Nanda.

Date

The deponent solemnly affirms DEONENT
today at about *1:27* *A.M./P.M.* (RA & Strategy), TPWODL

K.P. Mishra
K.P. MISHRA
NOTARY
Reg.: ON-23/94
SAMBALPUR



SI. NO. *53*
Dt. *10/01/2023*
K.P. Mishra
K.P. MISHRA
Notary
Reg. No. ON 23/94
Sambalpur Odisha

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
BHUBANESWAR**

IN THE MATTER OF

An Application for approval of revised Open Access Charges for the financial year 2023-24, in accordance with the para 22, 23, 24 & 25 of chapter 5 of OERC (Terms and Conditions of Intra state Open Access) Regulation, 2020, Wheeling Charges, Cross Subsidy Surcharge, Additional Surcharge & Stand by charges applicable to open access customers for use of intra-state transmission/ distribution system, in view of section 42 of the Electricity Act-2003.

IN THE MATTER OF

AND

TP Western Odisha Distribution Ltd.
Head Office Burla, Sambalpur, Odisha-768017.

-----TPWODL

Humble application of the above named licensee for determination of wheeling charges, Cross Subsidy Surcharges, Additional surcharges and miscellaneous charges for FY 2023-24 applicable to Open Access customers

MOST RESPECTFULLY SHEWETH:

- 1) TP Western Odisha Distribution Ltd. (TPWODL), Burla, Sambalpur, Odisha-768017 is the holder of the Distribution and Retail Supply License w.e.f 01.01.2021, as per order of the Hon'ble Commission vide License No. OERC/Engg./2/2021/409 dt. 26.03.2021 and has been carrying out the business of distribution and retail supply of electricity in nine districts of Odisha, namely, Sambalpur, Sundargarh, Bolangir, Bargarh, Deogarh, Nuapara, Kalahandi, Sonapur and Jharsuguda.
- 2) This submission is made by the Licensee before the Hon'ble Commission for the determination of Open Access Charges for the Financial Year 2023-24. That, Hon'ble Commission in their Order dated 04.03.2015 in Case No. 55/2013 have revoked the Licenses of NESCO, WESCO and SOUTHCO (Distribution Companies) under Section 19 of the Electricity Act, 2003.

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- 3) Post revocation of license of WESCO Ltd, Hon'ble Commission appointed Chairman- cum-Managing Director, GRIDCO as the Administrator of WESCO utility u/s 20(1)(d) of the Act vide order dated 04.03.2015. Thereafter, in terms of Section 20 of the Act Hon'ble Commission initiated action for sale of utility of WESCO and Tata Power Company Limited (TPCL) was selected through bidding process under Section 20 (1)(a) of the Act.
- 4) As per direction of Hon'ble Commission vide letter no. OERC/RA/SALE OF WESCO 27/2019 (Vol.-III)/1394 dated 04.12.2020, GRIDCO incorporated the Operating Company namely TP Western Odisha Distribution Limited (TPWODL) to which the utility of WESCO has been vested and license of WESCO utility is transferred. Accordingly, TPWODL is the wholly owned subsidiary of GRIDCO with an authorized share capital of ₹. 1000 crore (Indian Rupee One Thousand Crore) only and paid-up capital of Rs. 5 lakh (Indian Rupee Five lakh) only. TPWODL is the Operating Company in which TPCL and GRIDCO holds 51% and 49% equity shares respectively after the completion of sale.
- 5) As per terms of RFP, reserved capital of TPWODL is ₹. 300 crore (Indian Rupee Three Hundred Crore) only upon execution of Share Acquisition Agreement, TPCL acquires 51% of the equity shares of TPWODL. Accordingly, shareholding pattern with effect from 01.01.2021 continues to be 51% and 49% between TPCL & GRIDCO respectively.
- 6) That, as per OERC (Terms and Conditions of Intra state Open Access) Regulation, 2020, the licensee is required to file the application with Hon'ble Commission. Accordingly, this application was filed along with ARR and tariff application for FY 2023-24.
- 7) However, the Hon'ble Commission had vide its Notification No. 1472-

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Regulation i.e. Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 superseding the old Regulation of 2014 coming into effect from the date of their publication in the Official Gazette i.e. 23.12.2022 and shall remain in force till 31.03.2028.

8) Accordingly, the Licensee has submitted its revised submissions w.r.t Aggregate Revenue Requirement and Tariff application for FY 2023-24 for the kind consideration of the Hon'ble Commission and as a result the revised Open Access Charges for FY 2023-24 is being filed considering the revised ARR submissions.

9) The Orissa Electricity Regulatory Commission (herein after referred to as Commission), in exercise of the power vested in it under Sections 42, 61 and 86 of the Electricity Act 2003 (herein after referred to as EA 2003) and all other powers enabling in this behalf, determines the frame work for computation and implementation of cross subsidy surcharge for open access transactions within the State of Orissa.

Kshirod Ch Nanda.

10) The Hon'ble Commission in its Notification dated 6th June 2005, made the Regulations for open access to the intra-state transmission and distribution systems and terms and conditions thereof.

11) The Hon'ble Commission in its Notification dated 2nd November 2020 had repealed the OERC (Terms and conditions of open access) Regulations, 2005 and OERC (Determination of open access charges) Regulations, 2006, and notified the new Regulations for open access to the intra-state transmission and distribution systems and terms and conditions thereof.

12) In view of above the Licensee submits as under:

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A. That the licensee, in accordance with regulations framed by Hon'ble Commission under the provision of EA 2003, is required to file the

wheeling charges, cross-subsidy surcharge, additional surcharge and stand by charges before the Commission for approval.

- B. That the licensee is required to provide non-discriminatory open access to the consumers within the period as stipulated by the Commission in accordance with the provisions of Section 7 (d) under Chapter-III of the OERC (Terms and Conditions for determination of tariff) Regulations 2004.
- C. That the licensee is required to get compensation for the loss of cross subsidy element from the consumers or category of consumers who have opted for Open Access to take supply from a person other than the licensee in accordance with the provisions of Section 7 (c) under Chapter-III of the OERC (Terms and Conditions for determination of tariff) Regulations 2004.
- D. That the licensee is required to get additional surcharge to meet the fixed cost arising out of his obligation to supply to the consumers or category of consumers who have opted for Open Access in accordance with the provisions 7.74 and 7.75 of the OERC Tariff Regulations 2014.
- E. That the licensee submits before the Commission that at present no consumer is permitted by the utility to opt for Open access for getting compensation towards additional surcharge to meet the fixed cost. The utility reserves the right to file before the Commission with the relevant short fall of fixed cost as and when the issue comes in future.
- F. That, the present application is presented before the Hon'ble Commission for the approval of wheeling charges and Cross-Subsidy surcharge for FY 2023-24.

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BACKGROUND

13) TPWODL is the holder of license No. OERC/Engg./2/2021/409 granted by OERC vide their order dated 26th March, 2021 w.e.f 1st January 2021.

14) The EA 2003 enables eligible consumers to have non- discriminatory Open Access (OA) to the network of a Licensee on payment of applicable charges. The EA 2003 and National Electricity Policy (NEP) formulated therein mandate the State Electricity Regulatory Commissions to frame the terms and conditions and timeframe for introduction of OA in the State.

15) The Hon'ble Commission notified the OERC (Terms and Conditions for determination of wheeling and retail supply Tariff) Regulations, 2014 for Utilities in the State of Odisha as well as OERC (Terms and Conditions of Intra state Open Access) Regulations, 2020. However, in order to implement Open Access in the State, Hon'ble Commission is required to determine the following charges to be paid by the OA consumers:

- a. Wheeling charges;
- b. Cross-subsidy surcharge;
- c. Additional surcharge.
- d. Stand by charges

Advised by Nanda.

16) The Commission has in chapter 5 of (Terms and Conditions of Intra state Open Access) Regulation, 2020 defined the methodology for determination of transmission charges, wheeling Charges, Cross Subsidy surcharge, Additional Surcharge and stand by charges for use of the intra-State transmission network within the State. Further, the Commission will determine the above open access charges during the tariff determination process currently underway for all Utilities in the State.

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17) In the said Regulation 2020, the Hon'ble Commission prescribed the issue of methodology to be followed for determination of transmission charges,

wheeling charges, cross-subsidy surcharge, additional surcharge and stand by charges. It is envisaged that based on the prescribed methodology, the transmission charges, wheeling charges, cross-subsidy surcharge would be calculated during the tariff determination exercise currently underway.

OPEN ACCESS CHARGES

18) The OERC (Terms and Conditions of Intra State Open Access) Regulation, 2020 provides that the Open Access Customers shall pay the following charges besides the other charges mentioned in the regulation for use of the intra-state distribution system:

Transmission/Wheeling Charges -

(i) Wheeling charges payable to distribution licensee, by long-term or medium-term open access customer for usage of its system shall be as determined as under:

$$\text{Wheeling Charges} = (\text{Wheeling Cost}) / (\text{ALS}_D \times 365) \text{ (in INR/MW-day)}$$

Where,

Wheeling Cost= Cost towards wheeling business as approved in the Tariff Order of the distribution licensee in the concerned year.

ALS_D= Total Average load projected to be served by the concerned distribution system in the concerned year.

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Provided that Wheeling charges for short-term open access consumers shall be payable as determined by the Commission for the relevant financial year on the basis of scheduled load/ energy in the Tariff Order. For Open Access for a part of a day, the wheeling charges shall be payable on pro-rata basis;

Provided further that where a dedicated distribution system used for open access has been constructed for exclusive use of an open access customer, the wheeling charges for such dedicated system shall be worked out by distribution licensee for their respective systems and got

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approved by the Commission and shall be borne entirely by such open access customer till such time the surplus capacity is allotted and used for by other persons or purposes;

(ii) Wheeling charges as calculated by TPWODL is annexed as **Annexure-A**.

Table showing wheeling charge:-

Description	EHT	HT
Wheeling charges (Paise per unit)	Not Applicable	147

Cross Subsidy-Surcharge -

(i) If open access facility is availed of by a subsidizing consumer of a distribution licensee of the State, then such consumer, in addition to transmission and/or wheeling charges, shall pay cross subsidy surcharge determined by the Commission. Cross subsidy surcharge determined on Per Unit basis shall be payable, on monthly basis, by the open access consumers based on the actual energy drawn during the month through open access. The amount of surcharge shall be paid to the distribution licensee of the area of supply from whom the consumer was availing supply before seeking open access.

Provided also that such cross-subsidy surcharge shall not be levied in case distribution access is provided to a person who has established a captive generation plant for carrying the electricity to the destination of his own use.

Referred to NTP.

(ii) Further submitted that the methodology prescribed by Hon'ble Commission in line with NTP is as under:

Surcharge formula: $S = T - [C / (1 - L/100) + D + R]$

Where,

S is the surcharge

T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation

C is the per unit bulk supply tariff as determined by OERC for sale of

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power from GRIDCO to distribution licensees.

D is the aggregate of transmission, SLDC and wheeling charge applicable to the relevant voltage level.

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level.

R is the per unit cost of carrying regulatory assets. Provided that cross-subsidy surcharge shall be progressively reduced to reflect 20% of the tariff applicable to the category of the consumers seeking open access.

Accordingly, the Licensee computed the cross-subsidy surcharge which is mentioned in the following table. The statement of detail computation is annexed as **Annexure- B**.

Table showing Cross Subsidy Surcharge

Surcharge (P/KWH)EHT	Surcharge (P/KWH) HT
205	37

The above cross subsidy surcharge has been calculated considering the average EHT Tariff derived from proposed EHT sale in MU and value for FY 2023-24.

For HT category of consumers Wheeling charge @ 147 paise per unit and System loss at HT supply has been considered at 8%. The Cross-subsidy surcharge has been calculated considering the average HT tariff derived from proposed HT sales in MU and value for FY 2023-24.

The Power Purchase cost is the combination of Bulk Supply price of 360 paise per unit, Transmission charge 28 paise per unit, SLDC charge 0.0018 paise per unit as per prevailing tariff w.e.f. 04.04.2021 for transmission and SLDC charges & BST has been considered.

Additional Surcharge –

- (i) An OA consumer, receiving supply of electricity from a person other than the distribution licensee of his area of supply, shall pay to the

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distribution licensee an additional surcharge on the charges of wheeling, in addition to wheeling charges and cross-subsidy surcharge, to meet out the fixed cost of such distribution licensee arising out of his obligation to supply as provided under sub-section (4) of section 42 of the Act.

- (ii) This additional surcharge shall become applicable only if the obligation of the licensee in terms of power purchase commitments has been and continues to be stranded or there is an unavoidable obligation and incidence to bear fixed costs consequent to such a contract.

Note: Fixed costs related to network assets would be recovered through wheeling charges.

- (iii) The distribution licensee shall submit to the Commission on six-monthly basis, a detailed calculation statement of fixed cost, which the licensee is incurring towards his obligation to supply.

- (iv) The Commission shall scrutinize the statement of calculation of fixed cost submitted by the distribution licensee and obtain objections, if any, and determine the amount of additional surcharge;
Provided that any additional surcharge so determined by the Commission shall be applicable on all open access customers.

- (v) Additional surcharge determined on Per Unit basis shall be payable, on monthly basis, by the open access consumers based on the actual energy drawn during the month through open access;
Provided that such additional surcharges shall not be levied in case distribution access is provided to a person who has established a captive generation plant for carrying the electricity to the destination of his own use.

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Standby charges for drawal of power by open access customer from distribution licensee –

- (i) In cases of outages of generator supplying to open access customer under open access, standby arrangements should be provided by the distribution licensee for a maximum period of 42 days in a year, subject to the load shedding as is applicable to the embedded consumer of the licensee and the licensee shall be entitled to collect tariff under Temporary rate of charge for that category of consumer in the prevailing rate schedule subject to the condition that such tariff shall not exceed the highest consumer retail tariff in the prevailing rate schedule:

Provided that in cases where temporary rate of charge is not available for that consumer category, the standby arrangements shall be provided by the distribution licensee for a maximum of 42 days in a year and on payment of fixed charges of 42 days and energy charges for that category of consumer in the prevailing rate schedule:

Provided also that open access customers would have the option to arrange stand-by power from any other source.

keshrod by Nanda.

- 19) With the above the licensee submits that the following issues are required to be addressed in particular while determining open access charges of the licensee for the ensuing year FY 2023-24:

a) Cross subsidy surcharge during peak and off-peak hour -

Consumer is getting ToD benefit as per prevailing RST during off peak hour and as a result is tempted to draw more power from DISCOM thereby avoiding peak hour drawl due to higher RST. So, to maintain parity there should be two rates for CSS during peak and off-peak hours.

b) There should be an annual plan for open access drawl -

Industries those who intend to draw power under open access should at least give their annual tentative plan to the DISCOMs or to the Commission

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for proper planning of INPUT requirement of the Utility, so that procurement of costly power would be avoided as well as Utilities BSP would be protected.

c) Drawl of open access more than the contract Demand -

To avail open access most of the industries are trying to reduce their CD. So, to avoid such difficulties of the DISCOMs open access should not be permitted for the consumer who intends to draw more than its contract demand (CD).

d) Wheeling of power by industries having CGP -

CGP are allowed to carry their own power to the destination without levy of CSS. However, they are supposed pay wheeling charges to the respective licensees. But, most of the industries are trying to avoid the same as because they have drawn the line of their own. As per EA, 2003 a consumer is not permissible to operate a distribution system without having a distribution licensee and hence the line so drawn is the part of the distribution system and levy of wheeling charges is inevitable. Necessary direction in this regard may kindly be given while approving open access charges for the ensuing year for the licensee.

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e) Recovery of Regulatory Assets -

Recovery of RA should also be a part of CSS or may be recovered through additional surcharge. As because the consumer who is opting for open access was a part of the distribution system when Regulatory Asset were created due to under recovery of tariff.

f) Recovery of Stranded cost -

- When an Open Access Consumer's drawl quantum is more Licensee are unable to recover the approved Cost which in turn affects it's BSP.
- The CSS is being determined & recovered based on the ECR, limiting to a capping of (+/-) 20% (as per NTP). However, it is not sufficient

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enough to neutralize the cost of power being incurred on account of long term PPAs with generators, to whom fixed cost shall have to be paid irrespective of drawl of power in real time.

- Therefore, Additional Surcharge is inevitable in the context of recovery of stranded fixed cost from the Open Access Customers.
- Many States like Gujrat, Maharashtra, Rajasthan, Punjab & Delhi have implemented levy of Additional Surcharge, Standby Charge, Regulatory Surcharges for Open Access Customers.

20) Modification suggested to incorporate in Regulation & Open access charges order

Pursuance to amended open access regulation 2020, SLDC has made certain SOP and shared with Hon'ble Commission for approval. In response to that TPWODL vide letter dt. 22nd July 2021 also suggested certain modification in the SOP as well as amended required in the regulation. The suggestions submitted by licensee are appended below which may kindly be considered.

Kejriwal Ch. Mendla.

i. Processing & Approval of application

As per extant Regulation of 6th June 2005, the nodal agency for arranging Long- term open access (LTOA) shall be the STU if the transmission system is used, otherwise the nodal agency shall be the respective distribution Licensee within whose area and/or the network the point of drawl is situated.

Now, there is no such clause/para in the draft Regulations and there is no provision in the SOP to include the LTOA customers which are connected in Distribution system. However, SLDC has suggested that generating station seeking open access in short term needs to apply to DISCOMs directly with appropriate fee and DISCOM shall be responsible for facilitating such short-term open access. Presently, in TPWODL licensee area there are 11 LTOA customers who are drawing/conveying power under LTOA arrangement.

In view of the above, TPWODL suggests to include such LTOA & STOA

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customers under the proposed mechanism, which is an accepted industry practice with a legacy of over 15 years, and surely augurs well for remaining customer base of TPWODL consumers due to the softening impact it would potentially bring on ARR due to proceeds coming from LTOA and STOA Customers. Accordingly, it is requested that the appropriate provisions may please be restored in the new Regulations as well as in the SOP, in the larger public interest.

ii. Open Access Charges

In the new Regulations (chapter-5) para "22" describes wheeling Charges where in the following clause has been incorporated.

"Provided further that Wheeling Charges shall not be applicable in case dedicated lines (as defined under Section 2(16) of Electricity Act 2003) constructed by generator are being utilized for supply to the open access customer."

TPWODL request Hon'ble Commission to modify the same in the following manner,

*"Provided further that Wheeling Charges shall not be applicable in case dedicated lines (as defined under Section 2(16) of Electricity Act 2003) constructed by generator (**If the generator is not grid connected**) are being utilized for supply to the open access customer."*

Requested by Nanda.

It may be please be noted that in all circumstances, other than where network of Open Access customer is directly connected with the Generator, the last mile network of OA customer shall be integrated with the larger distribution network, thereby becoming liable to pay wheeling charges to TPWODL.

Further, the reasons for above suggestion are as follows:-

- a) When the generator fails or in case of low generation then power supply will flow to the load centre from transmission/ distribution system in case of grid connected generators.
- b) A generator/ consumer can not own a distribution system unless having Distribution Licensee (As per Section 2(19) of Electricity Act 2003).

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Further, as per provision of Hon'ble Commission's Regulations, network assets created by a generator/consumer are deemed Distribution assets.

- c) Hon'ble Commission has already passed orders to the effect that DISCOM is eligible for wheeling charges in case of OCL & OISL vide case no. 139 of 2009 dated 26th Aug 2010 which was subsequently upheld by Hon'ble ATE in case no. 171 of 2010 & 187 of 2010 and 137 of 2012.

Hon'ble ATE while upholding the decision of Hon'ble Commission has also emphasized on Section 2(76) of Electricity Act 2003 where in "wheeling" means the operation whereby the distribution system and associated facilities on a transmission licensee or distribution licensee, as the case may be are used by another person for conveyance on electricity on payment on charges to be determined under Section-62.

Therefore, Hon'ble Commission may kindly look into it for ensuring that there is no contradiction to the above cited provision of the Electricity Act, 2003 and amend /modify the clause suitably, for ensuring harmony.

Kept record of Nanda.

iii. Surcharge & Standby Charges

It has been suggested by SLDC that raising of CSS bill may be done at DISCOM end. TPWODL has no objection in this regard if billing of CSS will be handed over to DISCOM.

Further, SLDC has suggested that "Cross subsidy surcharge determined on Per Unit basis shall be payable, on monthly basis, by the open access consumers based on the actual energy drawn during the month through open access."

In this regard, it is to submit that Hon'ble Commission while reviewing performance of OPTCL for the period Apr-13 to Sept-13 of FY13-14 in the record note of review meeting dt. 18th Feb-2013 communicated vide letter no. OERC-Engg-21/2005(Vol- III)/1544 dt. 31-12-2013 where in it has been directed that SLDC should bill cross subsidy surcharge to the open access customer on the total amount of energy they have drawn from the outside source irrespective of their Contract Demand. Since then

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SLDC is raising CSS bills on actual energy consumed by Open Access Customers. For which every 15 minutes time block data is being perused and actual energy consumed out of open access quantum is derived for billing purposes, which is a cumbersome activity.

TPWODL is of the view that the Open Access Customers are purchasing power from outside for which SLDC is scheduling and the consumer is paying the transmission charges/ wheeling charges on the entire power scheduled as well as must be paying upfront to the seller on the entire power scheduled. So, SLDC or DISCOM should raise the CSS bill on the entire quantum of power sourced from outside on the basis of scheduled energy. Hon'ble Commission earlier direction also in line with the same. The system is well established, transparent and easily manageable from billing perspective.

Kshirod Ch. Nanda.

iv. Treatment on under drawl by Open Access Customers who is a customer of Distribution Licensee

The procedure suggested by SLDC has not been mentioned in the new Regulations, so this should not be incorporated. Further, the distribution licensee is no way responsible for loss of open access power as the Open Access Customers of DISCOM connected in 132 KV & above which is clearly the domain of OPTCL, so fault would be at OPTCL end or at customer end. DISCOM has no role in such an arrangement. Therefore, there is no reason for DISCOM to compensate for power loss which is never delivered in DISCOM boundary. As regards consumer connected in 33 KV & 11 KV supply and availing power through Open Access are well aware about the system availability and they are taking an evaluated business risk. Further, such customers are drawing power under Open Access beyond their Contract Demand so why DISCOM should compensate such customers when they directly schedule power beyond Contract Demand.

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Other proposal:

As per OERC (Terms and Conditions of Intra state Open Access) Regulation,

2020 vide para 35, in case of long-term access and medium-term open access, the applicant for open access will open an irrevocable revolving Letter of Credit in favor of the agency responsible for collection of various charges for the estimated amount of various charges for a period of two (2) months. **However, no such security mechanism for consumers availing power under short term open access with the licensee. Therefore, necessary direction may kindly be given in this regard.**

It is submitted that Hon'ble Commission has pronounced the open access charges applicable from 01.04.2022 vide order dated 24.03.2022 in case no.112,113,114 & 115 of 2021.

The wheeling charges and surcharge as applicable for HT & EHT industries for TPWODL effective from 01.04.2022 are as follows: -

For HT Industries:-

Wheeling charges =77.12 paise per unit.
Cross Subsidy Surcharge=53.60 paise per unit.

For EHT Industries:-

Cross Subsidy Surcharge=123.19 paise per unit.

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It is submitted that the open access to existing consumer should be allowed within limited Transmission / Distribution capacity. A limit should be fixed by the Hon'ble commission so that the distribution licensee may be allowed to reserve adequate transmission/ Distribution corridor for new consumer, to safe guard the interest of the new consumers in the state.

It is submitted that the industries opting for open access may also be required to provide their tentative schedule for the year in advance so that the distribution licensee would schedule it's intake from GRIDCO.

Prayer

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In the aforesaid facts and circumstances, the utility requests that the Hon'ble Commission may be pleased to:

- 1) Consider the proposal of TPWODL in this revised application for determination of Wheeling Charges and Cross Subsidy Surcharge on

record.

- 2) Approve the revised Wheeling charges and Cross Subsidy Surcharge as prayed for FY 2023-24.
- 3) Fixation of Additional Surcharge in addition to CSS and Wheeling towards recovery of stranded FC, Recovery of Regulatory Assets.
- 4) Approval of CSS for Peak and Off-peak hour.
- 5) Fixation of limitation for drawl of open access charges beyond CD.
- 6) Direction to pay wheeling charges by CGPs who are carrying own power through own Line or Net Work Assets created by them.
- 7) Submissions of annual plan by open access consumers with the licensee or before State Commission as the case may be.
- 8) Continuity of Levy of cross subsidy surcharge and wheeling charges on RE power.
- 9) Any other relief, order or direction which the Hon'ble Commission deems fit to be also issued.

Kehirod Ch Nanda.

By the Applicant
Through GM (RA & Strategy)

Place:

Date:

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6/10/2023

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TPWODL						Annexure-A
Allocation of wheeling cost and Retail supply cost						Rs. Lakh
Sl No.	Cost/Income Component	ARR for FY 2023-24	Assumption Ratio for consideration in Wheeling Business	Assumption Ratio for consideration in Retail Supply Business	Wheeling cost for FY 2023-24	Retail supply Cost for FY 2023-24
1	Cost of Power	474000.00	0%	100%	22334.40	451665.60
2	Transmission Charges	35840.00	0%	100%	1737.12	34102.88
3	SLDC Charges	166.72	0%	100%	166.72	0.00
	Total power purchase cost *	510006.72			24238.24	485768.48
	O&M					
4	Employee Cost	61497.40	60%	40%	36898.44	24598.96
5	Repair & Maintenance Cost	34601.09	90%	10%	31140.98	3460.11
6	Administrative & General Expenses	26215.70	50%	50%	13107.85	13107.85
7	Bad & Doubtful Debt including Rebate	6171.82	0%	100%	0.00	6171.82
8	Depreciation	9706.20	90%	10%	8735.58	970.62
	Interest on Loans					
9	For Term Loan CAPEX	5832.89	90%	10%	5249.61	583.29
10	for Working capital	5895.24	10%	90%	589.52	5305.72
11	Interest on Security Deposits	4675.06	0%	100%	0.00	4675.06
12	Return on Equity	10944.29	90%	10%	9849.86	1094.43
13	Tax on ROE	3681.25	90%	10%	3313.12	368.12
14	Carrying cost on Regulatory Assets/Liabilities	-1644.54	90%	10%	-1480.09	-164.45
	Special Appropriation					
13	Amortization of Regulator Assets	0.00	25%	75%	0.00	0.00
14	True Up of Current year & previous year	-71455.22	25%	75%	-17863.81	-53591.42
15	Other, if any-Contingency Reserve	0.00	90%	10%	0.00	0.00
	Grand Total	606127.91			113779.31	492348.60
	Miscellaneous Receipt					
16	Non-Tariff Income - Wheeling		as per actual assumption	as per actual assumption		
17	Non-Tariff Income - Retail Business	28933.40	as per actual assumption	as per actual assumption		
	Wheeling cost per kwh				147	
*Allocation of power purchase cost towards wheeling has been made considering 8% loss on input after effecting EHT sale						
		EHT	HT	LT	Total	
	Total Sale (MU)-proposed for 23-24	5045	2123	3314	10482	
	Input (MU)-Proposed for 23-24	5045	2743	5012	12800	
	Loss (MU)	0	620	1698	2318	
	Input received in the system(MU)	12800	7755	5012		

Kishore Ch. Mondal.

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Annexure-B

Calculation of Surcharge for EHT category of Consumers

Total EHT Sales proposed for FY 2023-24 in MU	Proposed ARR for EHT Category Rs in Crore	Average Tariff (P/KWH) (T)*	Cost of power Purchase (P/KWH) (C)	Wheeling Charge (P/KWH)(D)	System Loss (%) (L)	Regulatory Asset (P/KWH)	Surcharge (P/KWH) (T - (C/ (1-L/100))+D+R)
5045.00	3096.89	593.07	388.00	0	0	0	205

* Average Tariff has been calculated on the basis of KVAh quantum as KVAh billing has been started from 04.04.2021.

Calculation of Surcharge for HT category of Consumers

Total HT Sales proposed for FY 2023-24 in MU	Proposed ARR for HT Category Rs in Crore	Average Tariff (P/KWH) (T)	Cost of power Purchase (P/KWH) (C)	Wheeling Charge (P/KWH)(D)	System Loss (%) (L)	Regulatory Asset (P/KWH)	Surcharge (P/KWH) (T - (C/ (1-L/100))+D+R)
2123.00	1318.03	605.37	388.00	147	8	0	37

* Average Tariff has been calculated on the basis of KVAh quantum as KVAh billing has been started from 04.04.2021.

Kshirod Ch. Nanda

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28/10/2023

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