

TPWODL/Fin & RA/ 041

Date: 25/02/2021

To
Secretary
Odisha Electricity Regulatory Commission
Plot No.4, Chunokoli, Sailashree Vihar,
Bhubaneswar – 751 021

Replies to Queries raised by objectors during public hearing against the Retail supply Tariff Application by WESCO for the year 2020-21.

1) Shri Akshya Kumar Sahani, Retd . Electrical Inspector and M/s Scan Steels Ltd.

Query No.1

Power cut is Much more:

Licensee Response: -

There are no unscheduled power cuts. The planned power outages are required to support O&M jobs with prior intimation to the affected customers. However, to solve technical issues, the inevitable power cuts wherever happening are for shorter period and mainly for adhering safety protocols.

Query No.2

No supporting documents are enclosed by Licensee for claim of Reliability surcharge:

Licensee Response: -

For claim of Reliability surcharge, there are two preconditions.

- 1) Availability of Power -99%.
- 2) Permissible Voltage Level.

In absence of above two precondition parameters, none of the consumers are being levied with reliability surcharge. All the bills wherever the reliability surcharge is claimed, the relevant data is invariably furnished.

In addition to above, all the three Phase consumers are permitted to avail meter dump data by paying monthly Rs 500/- to the licensee as per RST order. That means customer can avail the facility and cross check the authenticity of claim.

Query No.3

Calculation of Remunerative Scheme:

Licensee Response: -

The Licensee is observing Cost benefit analysis in each case in line with Regulation 27 & 29 of OERC Supply Code-2019 in terms of Appendix-I.

Query No.4

Demand Charges for LT customer with CD less than 110 KVA should be on recorded Demand:

Licensee Response:-

Licensee is strictly adhering to the methodology as prescribed by the of Hon'ble commission from time to time.

Query No.5

Recovery of Meter rent is being continued still after 60 Months:

Licensee Response:-

As per our billing data base, there is a check built in software logic to discontinue meter rent after 60 months. In case of replacement of defective meter, during the course of 60 months sometimes the meter rent is continued beyond 60 months. Same is being corrected on case-to-case basis.

Query No.6

Assessment under Section 126 is not being done correctly:

Licensee Response :-

The assessment of cases U/s 126 are being done as per OERC Supply Code- 2019 in accordance with provisions of para 159 to 170, thereof.

2) Principal Chief Electrical Engineer, East Coast Railway

Query No.1

KVAh billing not to be implemented in present phase:

Licensee Response :-

Licensee is requesting to introduce the kVAh billing for at least HT and EHT consumers as it is beneficial to customers as well as all stake holders. The kVAh billing is implemented in all the neighbouring states like Bihar, Jharkhand, Chhattisgarh, Andhra Pradesh, Maharashtra, Delhi, Uttarakhand etc. These states are in advance stages of implementation of 2nd phase .Hence the Hon'ble Commission is requested to initiate the first phase of KVAh billing for HT & EHT category.

TP WESTERN ODISHA DISTRIBUTION LIMITED

(A Tata Power and Odisha Government Joint Venture)

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Query No.2

Graded slab tariff to start from 40% load factor or separate single part tariff for railway:

Licensee Response: -

Presently the graded slab tariff is two part only i.e. upto 60% LF and more than 60% LF. There is load factor discount for consumption beyond 70% LF and 80% LF. Further, reduction in graded slab level from 60% LF would affect the revenue of the licensee. However, Railway tariff in neighbouring states is higher as compared to Odisha which has already been replied through our rejoinder. Hon'ble OERC may like to review tariff applicable to Railways and LF for customers in general as per submissions made by the Licensee.

3) Shri Ananda Kumar Mohapatra ,Power Analyst

Query No.1

Cost based tariff needs to be adopted:

Licensee Response: -

Hon'ble Commission is determining the average tariff for each category (LT, HT & EHT) considering average cost of supply for the state as a whole. While doing so, they are meticulously observing the electricity policy, tariff policy and relevant regulations so as to maintain difference between average cost of supply and average tariff of different category of consumers within +/- 20%.

4) Shri Bibhu Swain , Powertech Consultant *on behalf of*

M/s Top Tec Tech Steels (P) Ltd., M/s Grinity Power Tech Ltd, M/s D.D. Iron & Steel Pvt Ltd, M/s Shree Salasar Castings pvt. Ltd., M/s Bajrang Steel and Alloys Ltd (BSAL), M/s MAA Girija ispat Pvt Ltd., M/s Radha Krishna Ispat (P) Ltd., M/s Refulgent Ispat Pvt Ltd.

Query No.1

Power intensive category should get tariff compensation:

Licensee Response: -

As per the present RST order, the power intensive industries are getting a discount of 10 paise per kwh for consumption beyond 70 % LF and 20 paise per kwh for consumption beyond 80 % LF. Further, the licensee is suggesting KVAh tariff for high end customers. If agreed by the Hon'ble Commission, it will bring tariff relief to such customers.

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Query No.2

SOP audit by Third Party:

Licensee Response: -

The licensee has already conducted the SOP till FY 2018-19, for FY 19-20 some empanelled firms have been requested to give their consent with detailed terms through mail. On receipt of same, the assignment will be carried out. Enquiries have been sent to the following firms.

- Delloite, Gurgaon
- PPS energy Solution, Pune
- Ashok Kumar Nanda, BBSR,
- Powertech consultant, BBSR,
- PRDC, Bangalore/BBSR,
- World institute of Sustainable Energy, Maharashtra
- Administrative Staff College of India (ASCI), Hyderabad

Query No.3

Enhancement of nos of GRFs and OMBUDSMAN in Licensee area:

Licensee Response: -

Existing no of GRF and OMBUDSMAN are as per the relevant Regulations notified by the Hon'ble Commission. For creation of additional GRFs and OMBUDSMAN across the licensed area may be considered by the Hon'ble Commission in light of the present inflow of grievances at existing GRFs and the possibility of deploying technology for convenience of the aggrieved customers, going forward.

Query No.4

MSME to be given more comfort:

Licensee Response: -

Govt. Of Odisha, Department of Energy is providing Electricity Duty exemption for initial period of operation to MSME. Since matter pertains to tariff determination, Hon'ble OERC may appropriately decide in the matter.

Query No.5

Levelized tariff at par with Chhattisgarh ,Jharkhand:

Licensee Response: -

The industrial tariffs at both the above states are more than Odisha. However, due to certain load factor incentive and govt subsidy industrial consumer's net energy cost may be lower. Accordingly, it is being proposed to the Hon'ble OERC to review incentive mechanism on higher PF through KVAh billing.

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Query No.6

Incentives to Ferro alloy Industries:

Licensee Response: -

Further relaxation may encourage more consumption having implication on ARR and consequently on Tariff. However, the Hon'ble OERC may take an appropriate view conducting the fact that it is a tariff related matter.

Query No.7

Introduction of take or pay scheme:

Licensee Response: -

Hon'ble Commission has previously introduced take or pay scheme in two occasions. Since Power Purchase Agreements (PPAs) signed by Discoms with GRIDCO is in the nature of 'take or pay' contracts, the implementation of contract with applicable customers, may be of the same nature as in case of Discom and GRIDCO with due approval of Hon'ble Commission.

Query No.8

Levy of reliability surcharge needs to be withdrawn for HT category of consumers:

Licensee Response: -

Levy of reliability surcharge is with precondition that the licensee is responsible to make available 99% power and voltage profile of the feeder needs to be within prescribed limit. To do so the licensee needs to maintain network assets accordingly for which levy of reliability surcharge to HT industries is justified.

Query No.9

Increase of TOD benefit from 20 paise to 50 paise:

Licensee Response: -

The licensee is of the view that if load factor discount for consumption beyond 70% LF and 80% LF is enhanced, will be a better way of helping. The steel industries to compete with neighbouring states tariff structure since benefit would accrue at all time of consumption, whereas increasing of TOD benefit may help the industries only for certain hours of the day.

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5) Shri Ramesh Chandra Satpathy

Query No.1

Licensee is asking huge revenue Gap:

Licensee Response: -

With the proposed plan of action seeking justified expenditure in different heads is inevitable. With the existing RST the Revenue requirement is more to mitigate the cost. The costs are allowed by the Hon'ble Commission only after rigorous prudence checks.

Query No.2

Why Govt is not providing support towards subsidy?:

Licensee Response: -

No comment is offered in this regard, as matter does not pertain to the licensee.

Query No.3

Why Employee cost is very high ?:

Licensee Response: -

Other than normal employee's salary, the licensee has proposed recruitment of around 850 employees during ensuing year. In addition to same, 50% of 7th pay Commission arrears are still pending to be approved in ARR amounting to Rs.38 Cr. Obligation towards contractual employees is around Rs.50 Cr per annum. Terminal dues (Pension, Gratuity, Leave encashment, RA) of retired employee would be around Rs.160 crs for FY 21-22.

Query No.4

LT extension cost per span of Rs 12500/- not to be approved:

Licensee Response: -

It is seen that the actual cost is much higher in many cases in urban areas but in case of rural areas it is not at all feasible. Even if for a single pole or two poles erection, transportation, loading & unloading, erection cost is much higher than the approved cost. Therefore, it is humbly submitted that in case of Rural areas it may be fixed as Rs.12,500/- per span

6) Er(Dr) Prasanta Kumar Pradhan

Query No.1

Meter cost is much less however recovery of meter rent is high:

Licensee Response: -

As regards recovery of meter rent for a period of 60 months allowed by Hon'ble Commission is considering the landed cost of the meter, cost of installation along with its transportation from store to consumers' premises.

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Query No.2

Separate Tariff for Industrial Consumers &TOD benefit to be enhanced:

Licensee Response: -

The licensee is of the view that if load factor discount for consumption beyond 70% LF and 80% LF is increased, it may help the steel industries to compete with neighbouring states in terms of input cost of power consumed. Increase of TOD benefit may not help the industries as it is only for certain hours of the day's consumption.

Query No.3

Additional discount for customer beyond 70 % LF and 80% LF:

Licensee Response: -

As per the present RST order, the power intensive industries are getting a discount of 10 paise per kwh for consumption beyond 70 % LF and 20 paise per kwh for consumption beyond 80 % LF. Further, the licensee is suggesting KVAh tariff for high end customers. If agreed by the Hon'ble Commission, it will bring tariff relief to such customers.

Query No.4

Cold store units needs to be incentivized:

Licensee Response: -

Present level of tariff for cold storage is on a lower side, the cold storage which were created by Govt on account of Potato mission are almost not operative for different reasons. Further, cold storage being energy incentive industry, the benefits for such industries as may be decided by the Hon'ble OERC will be applicable to cold storage industry too. Having differential tariff for different type of customers may not be prudent.

Query No.5

Cross subsidy surcharge to be reduced.:

Licensee Response: -

The consumers having contract demand more than 500 KW (previously more than 1 MW and above) are now eligible for open access. For determination of CSS cost of power purchase bears more than 80% share. Therefore increase or decrease of CSS mostly depends upon the BSP and transmission charges of the licensee.

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7) Shri Prabhakar Dora

Query No.1

Consumer contribution assets need to be excluded for R&M:

Licensee Response: -

The assets created out of consumers contribution are treated as deemed distribution assets and these are handed over to licensee for upkeep and maintenance as a part of network. Therefore, the licensee is entitled for R&M expenses on such assets.

Query No.2

Licensee not following OERC Regulation:

Licensee Response: -

The licensee is adhering and duty bound to follow and comply the Regulations notified by the Hon'ble Commission from time to time.

Query No.3

Power OFF hour to be mentioned in the bill:

Licensee Response: -

The contents of energy bill and spot bill has already been designed by the Hon'ble Commission in the OERC conditions of Supply Code, 2019 vide para 147 (ii) & (iii). The licensee is strictly adhering the same.

For and on behalf of WESCO Utility (Now TPWODL)



Dy. General Manager (Finance & RA)

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