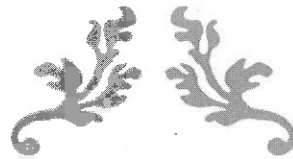
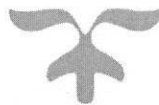


TPWODL
TP WESTERN ODISHA DISTRIBUTION LIMITED
(A Tata Power and Odisha Government Joint Venture)



**REJOINDER TO OBJECTION
RECEIVED AGAINST AGGREGATE
REVENUE REQUIREMENT AND
TARIFF APPLICATION FOR THE
YEAR 2022-23**

(OERC CASE NO. 109 OF 2021)



TP WESTERN ODISHA DISTRIBUTION LIMITED
(A Tata Power and Odisha Government Joint Venture)
Regd./Corp Office: Burla, Dist. Sambalpur, Odisha - 768 017
Website: www.tpwesternodisha.com Email: tpwodl@tpwesternodisha.com
Corporate Identification Number (CIN): U40109OR2020PLC035230 Telephone No: 0663-2431984 Fax No: 0663-2432113

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17	M/s. D.D Iron & Steel Private Ltd having its Regd Office at H-4/5, Civil Township, Rourkela-769004. Email: ddironsteel@rediffmail.com , Mobile: +91-9776647958, 9437047958	92 to 96
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BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION BHUBANESWAR
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023

IN THE MATTER OF :

Case No 109 of 2021

Rejoinder of the objection raised by objectors against ARR application for FY2022-23
vide case no. 109 of 2021.

AND

IN THE MATTER OF

TP Western Odisha Distribution Limited

Corporate Office-Burla, Sambalpur-768017.

-----Licensee

Affidavit verifying the rejoinder to the application for the Aggregate Revenue Requirement and Tariff Application for the FY 2022-23.

I, Kshirod Chandra Nanda, Son of Late Radhanath Nanda, aged about 52 years, residing at,
Burla, Sambalpur, Odisha do hereby solemnly affirm, and state as follows: -

Sl. No. 72
Dt. 27/10/2022
K.P. MISHRA
Notary
Reg. No. ON-23/94
Sambalpur Odisha

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

The statements made above along with the annexures annexed to this reply 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:-
Date:-

Kshirod Ch Nanda

**The deponent solemnly affirms
today at about 6:50 A.M./P.M.**

**DEPONENT
GM (RA & Strategy)**

K.P. Mishra
27/10/2022
**K.P. MISHRA
NOTARY
Reg.: ON-23/94
SAMBALPUR**

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: Shri Runvijay Singh, vice President, M/S. Scan Steel Ltd, At Main Road,
Rajgangpur, Dist.- Sundargarh- 770017

Subject: Rejoinder to objections submitted before Hon'ble Commission against ARR & Retail Supply tariff application of the Licensee for the FY2022-23 which has been registered as case No. 109 of 2021.

Point wise reply to the objection raised by objector are appended below: -

1. Learned objector has supported to most of the proposals submitted by TPWODL as well as for all the efforts made with additional suggestion towards the ARR application of TPWODL for FY 2022-23.

The following proposal submitted by TPWODL in its ARR for FY 2022-23 has been well supported/appreciated:

- a) Incremental digital rebate from 2% to 3% for LT Domestic, LT GP single phase & Single-phase irrigation consumers
- b) Discount to Domestic Rural Consumers
- c) Inter DISCOM Feed extension to Railway
- d) Special tariff to steel industry

While supporting the proposal learned objector has prayed an increment in discount proposed by TPWODL, Hon'ble Commission may look into it.

- e) Special tariff for industries those who have closed their units if reopen/starts

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- f) Special tariff for Existing industries having CGP if assured 80% LF of existing CD
- g) Special tariff for existing industries who have no CGP for drawl of additional power beyond CD of 10 MVA

Under this head TPWODL has proposed special tariff if consumption is beyond 85% LF. The objector has suggested that consumption may be considered as 75% LF instead of 85% L.F. Hon'ble Commission may take suitable decision in this regard.

- h) Special Tariff for upcoming new industries with guaranteed period of business continuity

While supporting the proposal learned objector/respondent has the opinion that, this tariff may be allowed for the consumers with contract demand of 0.5MW and above and regarding business continuity five years is long time, it may be for three years. The licensee has no objection if Hon'ble Commission permits.

- i) Special tariff for Industries for temporary business requirement
- j) Tariff for Cold Storage units through Govt Subsidy
- k) SMART Prepaid meters for Govt Connection
- l) Introduction of Amnesty arrear clearance scheme for LT non-industrial category of consumer.

2. **Respondents View/ Objection:** No remunerative benefit was extended to any of the consumers with clear violation of Regulation-13(1) and Appendix-I of OERC Distribution (Conditions of Supply) Code 2004 and Regulation 29 of OERC Distribution (Conditions of Supply) Code 2019 by TPWODL.

TPWODL Rejoinder: - TPWODL is adhering to the guidelines as mentioned in Regulation. Specific observation if any remains unattended may please be intimated.

3. **Respondents View/ Objection:** The consumers less than 110 KVA are not being extended with demand charges as per different tariff orders by TPWODL. Tariff order should be implemented strictly by the Petitioner.

TPWODL Rejoinder: - Billing to consumers having less than 110 KVA is strictly observed as per direction of Hon'ble Commission. Specific observation if any remains unattended may please be intimated

4. **Respondents View/ Objection:** Govt. ED should be paid by TPWODL as per regulation-94(1) of OERC Code 2004 and Regulation 152(i) of OERC Code 2019 respectively. Arrear

ED should be Collected first against payment made by the consumer. The Govt. of Odisha Energy Dept. should enforce such Regulations

TPWODL Rejoinder: - It is to state that Hon'ble Commission's regulation 2019, para 152 specifically address the manner of Recovery of arrears. The Licensee is adhering the same.

5. **Respondents View/ Objection:** With clear violation of Tariff Orders, Reliability Surcharge was imposed on the consumers upto RST Order for FY 2020-21. As per tariff order Para-259 of RST Order 2016-17 "DISCOMs shall attach Reliability Index Calculation and Voltage Variation Report with the bills in case of levy of Reliability Surcharge No Reliability Charge is payable unless this report is attached to the bill"

TPWODL Rejoinder: - As per direction of Hon'ble Commission in RST order of FY21-22 in annexure "B" Point No.ii "*Power factor penalty/incentive & Reliability Surcharges are abolished*". TPWODL is strictly adhering the direction given by Hon'ble Commission & as per our record no such complain regarding non-compliance is registered.

6. **Respondents View/ Objection:** That as per RST Order for 2021-22, meter rent will be collected for a period of 60 months. This order may be withdrawn and order may be passed for collection of meter rent till recovery of landed cost of the meter.

TPWODL Rejoinder: Consumer has always an option to install own meter, in such case meter rent is not recoverable.

As stated by the objector that cost of a three- phase tri-vector meter is around Rs. 20,000 which is factually incorrect.

Apart from this, the expenditure towards the meter provided by the licensee includes the cost of associated accessories, set up of back end IT infrastructure, installation cost, site visit and periodical meter testing as per OERC supply code 2019. So, the present level of recovery of meter rent to the extent of 60 months is justified as fixed by Hon'ble Commission.

7. **Respondents View/ Objection:** Withdrawal of kVAh billing

TPWODL Rejoinder: That the Hon'ble Commission has introduced kVAh billing in the FY-2021-2022 which was supposed to be introduced in FY-2014-2015. Observation of Hon'ble Commission as rendered at Para-374 of the present RST Order is quoted here-in-below;

"The prime objective of the kVAh based billing is to encourage the consumers to maintain near unity power factor to achieve loss reduction, improve system stability, power quality and improve voltage profile.

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Advantages of kVAh billing are

- (i) Overloading of Distribution system is avoided resulting in better voltage profile.*
- (ii) Reduction in line & transformer losses.*
- (iii) Increase in available line and transformer capacity.*
- (iv) It captures both real and reactive power*

The Commission intends to implement kVAh billing to all consumers other than LT consumer w.e.f. 4th April 2021. All DISCOMs are required to take all necessary steps to ensure that all the HT and EHT consumers are billed by kVAh basis from 4th April, 2021 and educate the consumers for the same. All open access transaction will be maintained in kWh sale only and kVAh based sale shall be converted into kWh base on the power factor for the month provided in the energy bills if necessary. For electricity duty purpose the kWh reading of the meter shall be utilised. For load factor purpose kWh reading shall be taken into consideration. Since kVAh reading captures both active and reactive power drawl, therefore, there is no necessity for continuing with either power factor incentive or penalty. Therefore, power factor penalty and incentive is abolished w.e.f. FY 2021-22. In case of leading power factor whose instances are relatively few when kVArh are injected into the system from consumer side. In that event the kWh drawl reading shall be taken and billed as per the kVAh tariff.

Aforesaid observation of Hon'ble Commission would establish the fact that kVAh billing system would give benefit to both the consumer as well as the licensee in maintaining system stability, ensuring power quality and achieving loss reduction.

In this regard it would be prudent to submit that Hon'ble APTEL has dealt with the issue of kVAh billing on several occasions. In Prime Ispat Ltd. and Another vrs Chhattisgarh State Electricity Regulatory Commission and Others (A.No.263 of 2014, decided on 10.04.2015), the issue of kVAh billing was discussed. Relevant observations of Hon'ble Tribunal are quoted here-in-below.

"8.9. Now we explain the advantage of High-Power Factor and kVAh billing as under:

- (a) Higher the Power Factor, lower is the Load Current and thereby Technical Losses of the transmission lines i.e. I^2R losses will be reduced considerably.*
- (b) Due to increase of Power Factor (nearer to one), the consumer's demand charges will be reduced and also the kVAh billing will also be correspondingly reduced.*
- (c) The Higher Power Factor will reduce the demand on the system and improve the systems Voltage.*
- (d) Increases the available transmission and distribution system capacity.*
- (e) The improvement in Power Factor will reduce the licensee's expenditure on Power Purchase and thereby the consumers will be benefited with lower tariff.*

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8.10. In view of the above, most of the States are changing their billing system from KWH to kVAh billing system.

8.11. The learned counsel of the Appellant has contended that due to kVAh billing, bill amount has been increased and thereby the Appellant burdened with higher power bill. We do not find any merit in the contention for the following reasons: Because Power Factor = KWH /KVAH

If Power Factor is unity, then KWH =KVAH

In the instant case, the Power Factor is less than unity and hence the consumption recorded in respect of kVAh is high compared to KWH consumption.

Further, the power factor surcharge/rebate will not be there in kVAh billing.

Thus, the kVAh based billing will drive the consumers to reach unity power factor and thereby the system performance will be improved and also reactive power drawl from the system will be minimised and thereby better system voltages for the tail end consumers also."

Forum of Regulators (FoR) also recommended kVAh billing during 2009. As of now, most of the State Electricity Regulatory Commissions (SERC) in various States viz. Himachal Pradesh, Delhi, Uttar Pradesh, Jammu & Kashmir, Andhra Pradesh, Chhattisgarh, Bihar, Haryana, Punjab, Maharashtra etc. have already introduced kVAh based tariff for various categories.

Kghrood 03/1/2021

Advantages of kVAh billing system: -

To Consumers	To DISCOM(s)
<ol style="list-style-type: none"> 1. kVAh billing will ensure that the consumers who will utilize the power efficiently will be paying less energy charges as compared to others who are not using the power efficiently. 2. The new billing methodology will be much simpler to understand as number of parameters viz. PF, rkVAh (lead/lag), kWh units) will be reduced. 	<ol style="list-style-type: none"> 1. Good system stability, improved power quality, improved voltage profile and reduced capital expenditure. 2. Complete recovery of cost of active and reactive powers. 3. Zero/ minimal drawl of reactive power by consumers. 4. Reduction in power purchase cost

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8. **Respondents View/ Objection:** Consideration of power on hour on actual basis for load factor in billing

TPWODL Rejoinder: TPWODL is following the direction of Hon'ble Commission while calculating power ON hours as per para no. 507 of RST order FY 2021-22.

9. Respondents View/ Objection: Billing w.r.t. to assessment u/s 126

TPWODL Rejoinder: The concerned raised by learned objector regarding assessment u/s 126 in line with Hon'ble Supreme Court's decision, it is to state that Hon'ble Commission has already enumerated detailed guideline in the OERC (Condition of Supply) Code 2019 notified on 27th August 2019. The relevant para 159 to 170 of chapter-XI of the Regulation has already in place for Assessment for unauthorized use and theft of Electricity. TPWODL is duty bound to adhere the same.

10. Respondents View/ Objection: Reduction in Cross Subsidy Surcharges.

TPWODL Rejoinder: DISCOMs are serving close to 100 Lakh (appx) of consumers across the state among which around 10 Lakh (appx) are under BPL category, 2.5 lakh (appx) consumer under agriculture category and almost 80 lakhs under Domestic. The tariff of BPL is Rs.80 per month for 30 units, Agriculture tariff is Rs.1.50 per unit and Domestic tariff up to 50 units is Rs.3 per unit which is also less than the highest BST in the state. They are subsidized by Industrial tariff through Cross subsidy surcharge.

Simultaneously, to provide cheaper power to the industrial consumers, who are drawing power through open access or from CGP, TPWODL has submitted no of proposal in its ARR application of FY 2022-23. If approved by Hon'ble Commission intended industries may get benefit out of it.

11. Respondents View/ Objection: Supply up to 15000kVA CD through non-dedicated 33kV feeder

TPWODL Rejoinder: The concerned regarding supply up to 15000kVA CD through non-dedicated 33kV feeder require an amendment in existing OERC Supply Code, 2019.

12. Respondents View/ Objection: There should not be any time bar for load reduction

TPWODL Rejoinder: TPWODL is strictly obliging the regulation of OERC Supply code,2019 regarding load reduction. In reference: Para 120. of OERC Supply code,2019 states that:

"Contract demand above 20 KW shall not be allowed to be reduced more than once within a period of thirty-six months from the date of initial supply or from the date of last reduction. Contract demand of 20 KW and below shall not be allowed to be reduced more than once within a period of twelve months from the date of last reduction. However, the designated authority of the licensee/supplier may for sufficient reasons to be recorded, allow such reduction more than once within the aforesaid period of thirty-six months or twelve months as applicable."

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Suggestion beyond the above guidelines requires amendment of regulation.

13. Respondents View/ Objection: If some land is available outside of factory, then there are provisions to take line directly from the generation source to factory without given through grid (For renewable of energy)

TPWODL Rejoinder: The objector did not mention the source of the aforesaid provision. Therefore, TPWODL has nothing to comment on the same.

For and on behalf of TPWODL

Kishinod Ch Nanda
GM (RA & Strategy)

Burla

Dated:

C.C. : Shri Runvijay Singh, vice President, M/S. Scan Steel Ltd, At Main Road,
Rajgangpur, Dist.- Sundargarh- 770017.

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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22/01
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SAMBALPUR:ORISSA

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
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Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: Shri Akshya Kumar Sahani, Retd. Electrical inspector, GoO, B/L-

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- p) Special tariff to steel industry

While supporting the proposal learned objector has prayed an increment in discount proposed by TPWODL, Hon'ble Commission may look into it.

- q) Special tariff for industries those who have closed their units if reopen/starts
- r) Special tariff for Existing industries having CGP if assured 80% LF of existing CD

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9/10/2021
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Akshya Kumar Sahani

- s) Special tariff for existing industries who have no CGP for drawl of additional power beyond CD of 10 MVA

Under this head TPWODL has proposed special tariff if consumption is beyond 85% LF. The objector has suggested that consumption may be considered as 75% LF instead of 85% L.F. Hon'ble Commission may take suitable decision in this regard.

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- u) Special tariff for Industries for temporary business requirement

- v) Tariff for Cold Storage units through Govt Subsidy

- w) SMART Prepaid meters for Govt Connection

- x) Introduction of Amnesty arrear clearance scheme for LT non-industrial category of consumer.

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4. **Respondents View/ Objection:** Govt. ED should be paid by TPWODL as per regulation-94(1) of OERC Code 2004 and Regulation 152(i) of OERC Code 2019 respectively. Arrear ED should be Collected first against payment made by the consumer. The Govt. of Odisha Energy Dept. should enforce such Regulations

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TPWODL Rejoinder: - As per direction of Hon'ble Commission in RST order of FY21-22 in annexure "B" Point No.ii " *Power factor penalty/incentive & Reliability Surcharges are abolished*". TPWODL is strictly adhering the direction given by Hon'ble Commission & as per our record no such complain regarding non-compliance is registered.

6. **Respondents View/ Objection:** Regarding COVID-19 relief on demand charges of consumers having more than 110 kVA CD.

TPWODL Rejoinder: Licensee has extended the relief as per the order of Hon'ble Commission vide letter no. DIR(T)-405/2020/452 dated 22-04-2020 for the month of Apr & May' 2020 during the first wave of COVID 19. Further, Hon'ble Commission may take appropriate decision in this regard.

7. **Respondents View/ Objection:** That as per RST Order for 2021-22, meter rent will be collected for a period of 60 months. This order may be withdrawn and order may be passed for collection of meter rent till recovery of landed cost of the meter.

TPWODL Rejoinder: Consumer has always an option to install own meter, in such case meter rent is not recoverable.

As stated by the objector that cost of a three- phase tri-vector meter is around Rs. 20,000 which is factually incorrect.

Apart from this, the expenditure towards the meter provided by the licensee includes the cost of associated accessories, set up of back end IT infrastructure, installation cost, site visit and periodical meter testing as per OERC supply code 2019. So, the present level of recovery of meter rent to the extent of 60 months is justified as fixed by Hon'ble Commission.

8. **Respondents View/ Objection:** That the AT & C loss is directly proportionate of collection efficiency. The Petitioner has not mentioned their collection out of imposition

of penalty under Section-126 of the Act 2003 (hereafter Act 2003) and collection against arrear dues.

TPWODL Rejoinder: In this regard it is to state that, penalty u/s 126 is not the normal practice to earn revenue. Assessment u/s 126 is being made only when there is theft or unauthorized use of electricity. The licensee has regards to all its consumer and expects the consumer would use the electricity supplied, in judicious manner. Hence, projection towards collection u/s 126 cannot be made.

On other hand, the licensee has also made a disclosure regarding collection out of current and out of arrear in F-9 format.

9. Respondents View/ Objection: Withdrawal of kVAh billing

TPWODL Rejoinder: That the Hon'ble Commission has introduced kVAh billing in the FY-2021-2022 which was supposed to be introduced in FY-2014-2015. Observation of Hon'ble Commission as rendered at Para-374 of the present RST Order is quoted here-in-below;

"The prime objective of the kVAh based billing is to encourage the consumers to maintain near unity power factor to achieve loss reduction, improve system stability, power quality and improve voltage profile.

Advantages of kVAh billing are

- (i) Overloading of Distribution system is avoided resulting in better voltage profile.*
- (ii) Reduction in line & transformer losses.*
- (iii) Increase in available line and transformer capacity.*
- (iv) It captures both real and reactive power*

The Commission intends to implement kVAh billing to all consumers other than LT consumer w.e.f. 4th April 2021. All DISCOMs are required to take all necessary steps to ensure that all the HT and EHT consumers are billed by kVAh basis from 4th April, 2021 and educate the consumers for the same. All open access transaction will be maintained in kWh sale only and kVAh based sale shall be converted into kWh base on the power factor for the month provided in the energy bills if necessary. For electricity duty purpose the kWh reading of the meter shall be utilised. For load factor purpose kWh reading shall be taken into consideration. Since kVAh reading captures both active and reactive power drawl, therefore, there is no necessity for continuing with either power factor incentive or penalty. Therefore, power factor penalty and incentive is abolished w.e.f. FY 2021-22. In case of leading power factor whose instances are relatively few when kVArh are injected into the system from consumer side. In that event the kWh drawl reading shall be taken and billed as per the kVAh tariff.

Refered to Nanda.

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SANGAI PUNE DISTRICT

Aforesaid observation of Hon'ble Commission would establish the fact that kVAh billing system would give benefit to both the consumer as well as the licensee in maintaining system stability, ensuring power quality and achieving loss reduction.

In this regard it would be prudent to submit that Hon'ble APTEL has dealt with the issue of kVAh billing on several occasions. In Prime Ispat Ltd. and Another vrs Chhattisgarh State Electricity Regulatory Commission and Others (A.No.263 of 2014, decided on 10.04.2015), the issue of kVAh billing was discussed. Relevant observations of Hon'ble Tribunal are quoted here-in-below.

"8.9. Now we explain the advantage of High-Power Factor and kVAh billing as under:

(a) Higher the Power Factor, lower is the Load Current and thereby Technical Losses of the transmission lines i.e. I^2R losses will be reduced considerably.

(b) Due to increase of Power Factor (nearer to one), the consumer's demand charges will be reduced and also the kVAh billing will also be correspondingly reduced.

(c) The Higher Power Factor will reduce the demand on the system and improve the systems Voltage.

(d) Increases the available transmission and distribution system capacity.

(e) The improvement in Power Factor will reduce the licensee's expenditure on Power Purchase and thereby the consumers will be benefited with lower tariff.

8.10. In view of the above, most of the States are changing their billing system from KWH to kVAh billing system.

8.11. The learned counsel of the Appellant has contended that due to kVAh billing, bill amount has been increased and thereby the Appellant burdened with higher power bill. We do not find any merit in the contention for the following reasons: Because Power Factor = $\frac{KWH}{KVAH}$

If Power Factor is unity, then $KWH = KVAH$

In the instant case, the Power Factor is less than unity and hence the consumption recorded in respect of kVAh is high compared to KWH consumption.

Further, the power factor surcharge/rebate will not be there in kVAh billing.

Thus, the kVAh based billing will drive the consumers to reach unity power factor and thereby the system performance will be improved and also reactive power drawl from the system will be minimised and thereby better system voltages for the tail end consumers also."

Forum of Regulators (FoR) also recommended kVAh billing during 2009. As of now, most of the State Electricity Regulatory Commissions (SERC) in various States viz. Himachal Pradesh, Delhi, Uttar Pradesh, Jammu & Kashmir, Andhra Pradesh, Chhattisgarh, Bihar, Haryana, Punjab, Maharashtra etc. have already introduced kVAh based tariff for various categories.

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Advantages of kVAh billing system: -

To Consumers	To DISCOM(s)
<p>3. kVAh billing will ensure that the consumers who will utilize the power efficiently will be paying less energy charges as compared to others who are not using the power efficiently.</p> <p>4. The new billing methodology will be much simpler to understand as number of parameters viz. PF, rkVAh (lead/lag), kWh units) will be reduced.</p>	<p>5. Good system stability, improved power quality, improved voltage profile and reduced capital expenditure.</p> <p>6. Complete recovery of cost of active and reactive powers.</p> <p>7. Zero/ minimal drawl of reactive power by consumers.</p> <p>8. Reduction in power purchase cost</p>

10. Respondents View/ Objection: That on MMFC/ Demand Charges for Consumers with Contract Demand < 110 kVA and demand charges for GP> 70 kVA< 110 kVA and HT Industrial (M) supply, it is to state that the DISCOMs are not extending such benefit as per different RST orders. Even though there is provision of recording of kVA demand, it has not been recorded in the bills. So MMFC/ Demand Charges are prepared at the mercy of the DISCOMs.

TPWODL Rejoinder: The licensee is adhering the direction of Hon'ble Commission strictly. There is no such manual intervention in DISCOM billing, it is through FG system & the billing system is taking care, basing upon consumer's category. Any specific issue if any may be highlighted.

11. Respondents View/ Objection: Consideration of power on hour on actual basis for load factor in billing

TPWODL Rejoinder: TPWODL is following the direction of Hon'ble Commission while calculating power ON hours as per para no. 507 of RST order FY 2021-22.

12. Respondents View/ Objection: That the consumers under category of Allied Agricultural Activities and Allied Agro-Industrial Activities are not being extended with benefit as per Regulations and Tariff Orders even though orders passed by GRF and Ombudsman

TPWODL Rejoinder: TPWODL is strictly adhering the direction given by Hon'ble Commission & as per our record no such complain regarding non-compliance is registered.

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SAMBALPUR, ORISSA

13. Respondents View/ Objection: Billing w.r.t. to assessment u/s 126

TPWODL Rejoinder: The concerned raised by learned objector regarding assessment u/s 126 in line with Hon'ble Supreme Court's decision, it is to state that Hon'ble Commission has already enumerated detailed guideline in the OERC (Condition of Supply) Code 2019 notified on 27th August 2019. The relevant para 159 to 170 of chapter-XI of the Regulation has already in place for Assessment for unauthorized use and theft of Electricity. TPWODL is duty bound to adhere the same.

14. Respondents View/ Objection: Reduction in Cross Subsidy Surcharges.

TPWODL Rejoinder: DISCOMs are serving close to 100 Lakh (appx) of consumers across the state among which around 10 Lakh (appx) are under BPL category, 2.5 lakh (appx) consumer under agriculture category and almost 80 lakhs under Domestic. The tariff of BPL is Rs.80 per month for 30 units, Agriculture tariff is Rs.1.50 per unit and Domestic tariff up to 50 units is Rs.3 per unit which is also less than the highest BST in the state. They are subsidized by Industrial tariff through Cross subsidy surcharge.

Simultaneously, to provide cheaper power to the industrial consumers, who are drawing power through open access or from CGP, TPWODL has submitted no of proposal in its ARR application of FY 2022-23. If approved by Hon'ble Commission intended industries may get benefit out of it.

15. Respondents View/ Objection: Supply up to 15000kVA CD through non-dedicated 33kV feeder

TPWODL Rejoinder: The concerned regarding supply up to 15000kVA CD through non-dedicated 33kV feeder require an amendment in existing OERC Supply Code, 2019.

16. Respondents View/ Objection: There should not be any time bar for load reduction

TPWODL Rejoinder: TPWODL is strictly obliging the regulation of OERC Supply code, 2019 regarding load reduction. In reference: Para 120. of OERC Supply code, 2019 states that:

"Contract demand above 20 KW shall not be allowed to be reduced more than once within a period of thirty-six months from the date of initial supply or from the date of last reduction. Contract demand of 20 KW and below shall not be allowed to be reduced more than once within a period of twelve months from the date of last reduction. However, the designated authority of the licensee/supplier may for sufficient reasons to be recorded, allow such

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reduction more than once within the aforesaid period of thirty-six months or twelve months as applicable."

Suggestion beyond the above guidelines requires amendment of regulation.

17. Respondents View/ Objection: If some land is available outside of factory, then there are provisions to take line directly from the generation source to factory without given through grid (For renewable of energy)

TPWODL Rejoinder: The objector did not mention the source of the aforesaid provision. Therefore, TPWODL has nothing to comment on the same.

For and on behalf of TPWODL

Gobind Chandra
GM (RA & Strategy)

Burla

Dated:

C.C. : Shri Akshya Kumar Sahani, Retd. Electrical inspector, GoO, B/L- 108, VSS Nagar,
Bhubaneswar-750007"

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT

Mr. 23/01/21
NOTARY
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**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: Shri Bijaya Kumar Panda, Director M/S Bajrangbali Sponge & power Ltd,

Plot No.82 ,IDC, Kalunga, Dist.- Sundergarh

Rejoinder to objections submitted before Hon'ble Commission against ARR & Retail Supply tariff application of the Licensee for the FY2022-23 which has been registered as case No. 109 of 2021.

Point wise reply to the objection raised by objector are appended below: -

1. Learned objector has supported to most of the proposals submitted by TPWODL as well as for all the efforts made with additional suggestion towards the ARR application of TPWODL for FY 2022-23.

The following proposal submitted by TPWODL in its ARR for FY 2022-23 has been well supported/appreciated:

- a) Incremental digital rebate from 2% to 3% for LT Domestic, LT GP single phase & Single-phase irrigation consumers
- b) Special tariff to steel industry

While supporting the proposal learned objector has prayed an increment in discount proposed by TPWODL, Hon'ble Commission may look into it.

- c) Special tariff for industries those who have closed their units if reopen/starts
- d) Special tariff for Existing industries having CGP if assured 80% LF of existing CD
- e) Special tariff for existing industries who have no CGP for drawl of additional power beyond CD of 10 MVA

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Under this head TPWODL has proposed special tariff if consumption is beyond 85% LF. The objector has suggested that consumption may be considered as 75% LF instead of 85% L.F. Hon'ble Commission may take suitable decision in this regard.

f) Introduction of Amnesty arrear clearance scheme for LT non-industrial category of consumer.

2. **Respondents View/ Objection:** No remunerative benefit was extended to any of the consumers with clear violation of Regulation-13(1) and Appendix-I of OERC Distribution (Conditions of Supply) Code 2004 and Regulation 29 of OERC Distribution (Conditions of Supply) Code 2019 by TPWODL.

TPWODL Rejoinder: - TPWODL is adhering to the guidelines as mentioned in Regulation. Specific observation if any remains un attended may please be intimated.

3. **Respondents View/ Objection:** Govt. ED should be paid by TPWODL as per regulation-94(1) of OERC Code 2004 and Regulation 152(i) of OERC Code 2019 respectively. Arrear ED should be Collected first against payment made by the consumer. The Govt. of Odisha Energy Dept. should enforce such Regulations

TPWODL Rejoinder: - It is to state that Hon'ble Commission's regulation 2019, para 152 specifically address the manner of Recovery of arrears. The Licensee is adhering the same.

4. **Respondents View/ Objection:** With clear violation of Tariff Orders, Reliability Surcharge was imposed on the consumers upto RST Order for FY 2020-21. As per tariff order Para-259 of RST Order 2016-17 "DISCOMs shall attach Reliability Index Calculation and Voltage Variation Report with the bills in case of levy of Reliability Surcharge No Reliability Charge is payable unless this report is attached to the bill"

TPWODL Rejoinder: - As per direction of Hon'ble Commission in RST order of FY21-22 in annexure "B" Point No.ii " *Power factor penalty/incentive & Reliability Surcharges are abolished*". TPWODL is strictly adhering the direction given by Hon'ble Commission & as per our record no such complain regarding non-compliance is registered.

5. **Respondents View/ Objection:** That as per RST Order for 2021-22, meter rent will be collected for a period of 60 months. This order may be withdrawn and order may be passed for collection of meter rent till recovery of landed cost of the meter.

TPWODL Rejoinder: Consumer has always an option to install own meter, in such case meter rent is not recoverable.

As stated by the objector that cost of a three- phase tri-vector meter is around Rs. 20,000 which is factually incorrect.

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Apart from this, the expenditure towards the meter provided by the licensee includes the cost of associated accessories, set up of back end IT infrastructure, installation cost, site visit and periodical meter testing as per OERC supply code 2019. So, the present level of recovery of meter rent to the extent of 60 months is justified as fixed by Hon'ble Commission.

6. Respondents View/ Objection: Withdrawal of kVAh billing

TPWODL Rejoinder: That the Hon'ble Commission has introduced kVAh billing in the FY-2021-2022 which was supposed to be introduced in FY-2014-2015. Observation of Hon'ble Commission as rendered at Para-374 of the present RST Order is quoted here-in-below;

"The prime objective of the kVAh based billing is to encourage the consumers to maintain near unity power factor to achieve loss reduction, improve system stability, power quality and improve voltage profile.

Advantages of kVAh billing are

- (i) Overloading of Distribution system is avoided resulting in better voltage profile.*
- (ii) Reduction in line & transformer losses.*
- (iii) Increase in available line and transformer capacity.*
- (iv) It captures both real and reactive power*

The Commission intends to implement kVAh billing to all consumers other than LT consumer w.e.f. 4th April 2021. All DISCOMs are required to take all necessary steps to ensure that all the HT and EHT consumers are billed by kVAh basis from 4th April, 2021 and educate the consumers for the same. All open access transaction will be maintained in kWh sale only and kVAh based sale shall be converted into kWh base on the power factor for the month provided in the energy bills if necessary. For electricity duty purpose the kWh reading of the meter shall be utilised. For load factor purpose kWh reading shall be taken into consideration. Since kVAh reading captures both active and reactive power drawl, therefore, there is no necessity for continuing with either power factor incentive or penalty. Therefore, power factor penalty and incentive is abolished w.e.f. FY 2021-22. In case of leading power factor whose instances are relatively few when kVArh are injected into the system from consumer side. In that event the kWh drawl reading shall be taken and billed as per the kVAh tariff.

Aforesaid observation of Hon'ble Commission would establish the fact that kVAh billing system would give benefit to both the consumer as well as the licensee in maintaining system stability, ensuring power quality and achieving loss reduction.

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In this regard it would be prudent to submit that Hon'ble APTEL has dealt with the issue of kVAh billing on several occasions. In Prime Ispat Ltd. and Another vrs Chhattisgarh State Electricity Regulatory Commission and Others (A.No.263 of 2014, decided on 10.04.2015), the issue of kVAh billing was discussed. Relevant observations of Hon'ble Tribunal are quoted here-in-below.

"8.9. Now we explain the advantage of High-Power Factor and kVAh billing as under:

(a) Higher the Power Factor, lower is the Load Current and thereby Technical Losses of the transmission lines i.e. I^2R losses will be reduced considerably.

(b) Due to increase of Power Factor (nearer to one), the consumer's demand charges will be reduced and also the kVAh billing will also be correspondingly reduced.

(c) The Higher Power Factor will reduce the demand on the system and improve the systems Voltage.

(d) Increases the available transmission and distribution system capacity.

(e) The improvement in Power Factor will reduce the licensee's expenditure on Power Purchase and thereby the consumers will be benefited with lower tariff.

8.10. In view of the above, most of the States are changing their billing system from KWH to kVAh billing system.

8.11. The learned counsel of the Appellant has contended that due to kVAh billing, bill amount has been increased and thereby the Appellant burdened with higher power bill. We do not find any merit in the contention for the following reasons: Because Power Factor = $\frac{KWH}{KVAH}$

If Power Factor is unity, then $KWH = KVAH$

In the instant case, the Power Factor is less than unity and hence the consumption recorded in respect of kVAh is high compared to KWH consumption.

Further, the power factor surcharge/rebate will not be there in kVAh billing.

Thus, the kVAh based billing will drive the consumers to reach unity power factor and thereby the system performance will be improved and also reactive power drawl from the system will be minimised and thereby better system voltages for the tail end consumers also."

Forum of Regulators (FoR) also recommended kVAh billing during 2009. As of now, most of the State Electricity Regulatory Commissions (SERC) in various States viz. Himachal Pradesh, Delhi, Uttar Pradesh, Jammu & Kashmir, Andhra Pradesh, Chhattisgarh, Bihar, Haryana, Punjab, Maharashtra etc. have already introduced kVAh based tariff for various categories.

Advantages of kVAh billing system: -

To Consumers	To DISCOM(s)
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<p>5. kVAh billing will ensure that the consumers who will utilize the power efficiently will be paying less energy charges as compared to others who are not using the power efficiently.</p> <p>6. The new billing methodology will be much simpler to understand as number of parameters viz. PF, rkVAh (lead/lag), kWh units) will be reduced.</p>	<p>9. Good system stability, improved power quality, improved voltage profile and reduced capital expenditure.</p> <p>10. Complete recovery of cost of active and reactive powers.</p> <p>11. Zero/ minimal drawl of reactive power by consumers.</p> <p>12. Reduction in power purchase cost</p>
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7. Respondents View/ Objection: Consideration of power on hour on actual basis for load factor in billing

TPWODL Rejoinder: TPWODL is following the direction of Hon'ble Commission while calculating power ON hours as per para no. 507 of RST order FY 2021-22.

8. Respondents View/ Objection: Billing w.r.t. to assessment u/s 126

TPWODL Rejoinder: The concerned raised by learned objector regarding assessment u/s 126 in line with Hon'ble Supreme Court's decision, it is to state that Hon'ble Commission has already enumerated detailed guideline in the OERC (Condition of Supply) Code 2019 notified on 27th August 2019. The relevant para 159 to 170 of chapter-XI of the Regulation has already in place for Assessment for unauthorized use and theft of Electricity. TPWODL is duty bound to adhere the same.

kgmurad ch. Nanda

9. Respondents View/ Objection: Reduction in Cross Subsidy Surcharges.

TPWODL Rejoinder: DISCOMs are serving close to 100 Lakh (appx) of consumers across the state among which around 10 Lakh (appx) are under BPL category, 2.5 lakh (appx) consumer under agriculture category and almost 80 lakhs under Domestic. The tariff of BPL is Rs.80 per month for 30 units, Agriculture tariff is Rs.1.50 per unit and Domestic tariff up to 50 units is Rs.3 per unit which is also less than the highest BST in the state. They are subsidized by Industrial tariff through Cross subsidy surcharge.

Simultaneously, to provide cheaper power to the industrial consumers, who are drawing power through open access or from CGP, TPWODL has submitted no of proposal in its ARR application of FY 2022-23. If approved by Hon'ble Commission intended industries may get benefit out of it.

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10. Respondents View/ Objection: Supply up to 15000kVA CD through non-dedicated 33kV feeder

TPWODL Rejoinder: The concerned regarding supply up to 15000kVA CD through non-dedicated 33kV feeder require an amendment in existing OERC Supply Code, 2019.

11. Respondents View/ Objection: There should not be any time bar for load reduction

TPWODL Rejoinder: TPWODL is strictly obliging the regulation of OERC Supply code,2019 regarding load reduction. In reference: Para 120. of OERC Supply code,2019 states that:

"Contract demand above 20 KW shall not be allowed to be reduced more than once within a period of thirty-six months from the date of initial supply or from the date of last reduction. Contract demand of 20 KW and below shall not be allowed to be reduced more than once within a period of twelve months from the date of last reduction. However, the designated authority of the licensee/supplier may for sufficient reasons to be recorded, allow such reduction more than once within the aforesaid period of thirty-six months or twelve months as applicable."

Suggestion beyond the above guidelines requires amendment of regulation.

12. Respondents View/ Objection: If some land is available outside of factory, then there are provisions to take line directly from the generation source to factory without given through grid (For renewable of energy)

TPWODL Rejoinder: The objector did not mention the source of the aforesaid provision. Therefore, TPWODL has nothing to comment on the same.

For and on behalf of TPWODL

Kshirod Ch Panda
GM (RA & Strategy)

Burla

Dated:

C.C. : Shri Bijaya Kumar panada, Director M/S Bajrangbali Sponge & power Ltd,
Plot No.82 ,IDC, Kalunga, Dist.- Sundergarh

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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NOTARY
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**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited
Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: M/s. Bajrang Steel and Alloys Ltd. having its Regd. Office at Plot no: 31.
Goibhanga, Kalunga, Rourkela-770031, Dist.: Sundargarh, Odisha.
Email : bajrangrkl@gmail.com, Mobile: 7691060161

Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application by Licensee for the FY2022-23 vide case No. 109 of 2021.

Point wise reply for the objection raised by objector are appended below: -

- 1. Respondents View/ Objection:** Respondent gives a Proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

TPWODL Rejoinder: Respondent has given statistics that in FY20-21 total 51 Nos. steel Industries having load of 152.68 MVA has closed their units & total 12 Nos. Steel Industries are planning to close their unit due to higher tariff in Odisha State as compared to tariff in neighbouring state i.e in Chhattisgarh, Jharkhand & planning to shift their industry in neighbouring state.

To retain such industries who are migrating to other states, TPWODL has submitted the proposal of special tariff. To match with neighbouring state, TPWODL offer a proposal who are connected in 33kv level with CD of 1MW and above and have no CGP with the following condition

- on achievement of 75% LF up to 80% LF a discount of 8% on entire Energy charges,
- on achievement of LF >80% to 90% LF, discount of 9% on entire energy charges.

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- Those who will achieve LF more than 90% then discount of 10% on entire energy charges can be offered.
- Load reduction shall not be allowed during the tariff year
- Industries opting for open access in any month shall not be eligible for this benefit.
- This benefit is in addition to all other rebate the consumer is otherwise eligible
- LF shall be calculated as per existing regulation.

However, the respondent thinks that the proposed LF rebate may not be adequate to make steel industry commercially viable. In line with this, respondent has proposed a change in LF rebate mechanism similar to neighboring state. So, respondents has suggest a proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

Hon'ble Commission may take a suitable decision.

2. **Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal. The modifications are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 22-23.	The industry has to start with lower load and should be allowed for contract demand reduction while starting.
The incentive will be for incremental unit consumption in a month over and above average monthly consumption of the immediately preceding financial year (i.e. 2021- 22).	An additional discount of 50 p/unit on entire energy may be provided for the unit who will start their operation in FY 2022-23.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

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TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s). But as per the changes suggested by the respondent, the benefits seem to be only consumer centric which will create dissatisfaction among other industries those who are

running/operating. If the closed industry is permitted to reopens with a lower load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

3. **Respondent's view/objection:** The respondent has submitted that the Distribution Loss to be approved should be at a very low level

TPWODL Rejoinder: It is submitted that for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT& C loss" and the trajectory for the same is fixed till FY 2030-31 in the vesting order for tariff determination process.

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

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Hence it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

4. **Respondent's view/objection:** Projection of EHT, HT & LT sales & approval of Business plan for FY 21-22 & FY 22-23.

TPWODL Rejoinder: The licensee has already submitted its sales projection in details vide para 2.2 of ARR filing. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2020-21 along with 1st six month of current year sales projection has been made. HT & EHT sales projection are always depends upon the nature of drawal of the industries, market position, economic scenario, Government policies, IEX price under open access, etc. In addition to above most of the EHT industries are having their own CGP. The licensee cannot predict correctly the quantum of consumption for such industries. Now

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a days open access transaction has been increased to many folds. Availability of Renewable energy is also playing major role. Therefore, projection of HT & EHT sale vis-i-vis actual will always change.

As regards to LT sales, the growth in the domestic category has been estimated at 9.16% during FY 2022-23 as against the estimated growth of around 21.75% during FY 2021-22. The licensee would like to submit that all the households who have electrified under SAUBHAGYA & DDUGJY are all being added to billing fold for which the growth of 21.75% has been considered in current year. The impact of same has been considered while estimating the sales under domestic category for FY 2022-23. The other reason of higher consumption in Domestic sector is on account of replacement of defective meters and electro-mechanical meters in the consumer premises. As a result, actual billing would be improved and the licensee would be able to reduce the T&D loss.

The growth in the sales of other categories in the LT sector has been estimated in the range of 5% during 2022-23 considering the past trends except Irrigation & Pumping, Allied Agriculture and Allied Agro industrial category of consumers where growth of 7.04%, 7.69 & 9.09% respectively has been taken up. The irrigation growth is due to addition of loads as well as metering. The growth under the above categories in current year is around 30% & above due to addition of consumers under Govt's Mega lift scheme and promotion of agricultural sector.

The concern regarding approval of business plan of TPWODL for FY 21-22 & FY 22-23 is concerned, TPWODL has taken over the business w.e.f. 1st Jan-21 by the time Wesco utility has already filed its ARR for FY 21-22 however as per direction of Hon'ble Commission TPWODL was given an opportunity for filing of ABP which was subsequently approved by Hon'ble Commission in case no.37 of 21. Similarly, as regards to figure of FY 22-23 it is now projected with this application for approval of Hon'ble Commission.

5. Respondent's view/objection: Cross subsidy and its surcharge

TPWODL Rejoinder: The Hon'ble Commission has been reducing the applicable CSS for the various categories viz EHT and HT over the period of time. The CSS which was 65% in FY 2018-19 has now been brought to 63% in FY 2021-22. The extracts of the Tariff Order *Para 392. As per mandate of the Electricity Act, 2003 under Section 42 the cross-subsidy surcharge is to be reduced progressively. The Commission is authorized to evolve a methodology for such reduction. Accordingly, the Commission has fixed the leviable surcharge at 63% of the computed value for FY 2021-22.*

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The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

6. **Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

TPWODL Rejoinder: Increase of TOD benefit by another 10/20 paise per unit may not fulfil the purpose of industry. To provide cheaper power TPWODL has suggested no of proposals if approved by Hon'ble Commission will help in reducing industrial tariff.

7. **Respondent's view/objection:** Issues of ferro alloys plant

TPWODL Rejoinder: To accommodate such plants the proposal as discussed in para 1 will be helpful.

8. **Respondents View/ Objection:** Consideration of power on hour on actual basis for load factor in billing

TPWODL Rejoinder: TPWODL is following the direction of Hon'ble Commission while calculating power ON hours as per para no. 507 of RST order FY 2021-22.

For and on behalf of TPWODL

Kishore C. Panda

GM (RA & Strategy)

Burla

Dated:

C.C. : M/s. Bajrang Steel and Alloys Ltd. having its Regd. Office at Plot no: 31.

Goibhanga, Kalunga, Rourkela-770031, Dist.: Sundargarh, Odisha.

Email : bajrangrkl@gmail.com, Mobile: 7691060161

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited
Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: Mr. Priyabrata Sahu, bijaya Bihar, 3rd lane, P.O.: Berhampur, dist: Ganjam,
Pin: 760001

**Subject: Rejoinder to objections received by The Secretary, Odisha Electricity
Regulatory Commission against the Retail Supply tariff application of
TPWODL for FY2022-23 vide case No. 109 of 2021.**

Para wise reply for the objection raised by the objector is appended below: -

- Respondent's view/objection:** Increase in Employees Cost, Repair & Maintenance & A&G expenditure double than last year approved expenditure

TPWODL Rejoinder: It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility since last ten years. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022.

As regards to FY 22-23 is concerned with the above approved base of FY 21-22 TPWODL has proposed a recruitment plan of 700 employees for the ensuing year. So, the proposed employee cost of Rs. 629.06 Cr. for FY 2022-23 is justified and may please be approved.

That, as regards to Repair & Maintenance (R&M) expenses for the ensuing year FY 2022-23 has been estimated on the basis of 5.4% of Opening Gross Fixed Assets (GFA). The opening GFA works out to be Rs 1963.50 crores, based on which the proposed R&M

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expenses is to the tune of Rs 106.03 crores. The licensee also entitled for R&M expenses on assets created through Govt grant.

As regards to Grant Assets the scheme wise value is appended below: -

Sl No.	Name of Scheme	Amount in Cr
1	ODSSP	930.23
2	DDUGJY New	257.00
3	IPDS	211.40
4	DDUGJY 12TH PLAN (PGCIL)	496.70
5	DDUGJY 12TH PLAN (NTPC)	870.48
Total of A		2765.81

Sr. No	Scheme	Amount in Cr	Executed through
1	BGJY	107.69	District Collector
2	BGJY DTR	3.30	DISCOM
3	BSVY	21.92	District Collector
4	CAPEX	105.14	DISCOM
5	DESI/IAP	53.29	DISCOM
6	ELEPHANT CORRIDOR	20.54	DISCOM
7	KBK	1.91	DISCOM
8	MP-MLA	2.12	DISCOM
9	PHAILIN	0.45	DISCOM
10	RLTAP	76.75	District Collector
11	SAMLESWARI TEMPLE	4.88	DISCOM
12	SCHOOL & ANGANWADI	9.12	DISCOM
13	WODC	5.70	DISCOM
14	DMF	15.90	DISCOM

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TOTAL of B	428.69
Total of A+B	3194.50

Considering the above value of Grant assets amounting to Rs. 3194.50 Crs. The entitlement of R&M @ 5.4% for FY 22-23 on the above amount comes to Rs. 172.50 Cr.

Therefore, the total proposed R&M expenses for FY22-23 is 278.53 Cr [172.50 Cr + 106.03]. The R&M cost has increased compared to last year due to deployment of 11KV & 33 KV AMC for maintaining asset condition & attending breakdown round the clock. In 11 KV & 33 KV AMC cost is given below.

(Amount in Rs. Cr)

Circle Name	33 KV AMC Cost	Division Name	11 KV AMC Cost
Sambalpur	11.15	Sambalpur & Deogarh	14.26
Rourkella	11.15	Kalahandi East & West	18.28
Bargarh	9.2	Titlagarh & Naupada	19.32
Kalahandi	9.68	Sambalpur	10.94
Bolangir	11.77	Sundargarh, Rajganjpur & Jharsugunda	31.79
		Bargarh East & West	22.46
		Bolangir & Sonepur	19.42
		Rourkella & Rourkella East	15.92
Total Cost	52.95	Total Cost	152.42

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The total projected cost of 11KV & 33 KV AMC is Rs.205.38 Cr & remaining R&M cost is proposed towards Civil maintenance, Dist. Line repair, substation & transformer repair etc. So, the proposed R&M cost of Rs. 278.52 Cr. for FY 2022-23 is justified.

That, upon taken over of business, TPWODL has engaged agency circle wise through transparent bidding process for meter reading, billing and collection activity which is the major expenditure under A&G head. Apart from above certain revenue improvement A&G expenses like engagement of arrear collection agents and their commission, expenses of Customer Care, vigilance/enforcement activity etc has also been taken up and related cost thereof included under A&G head. O&M Expenses towards improvement of reliability,

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advanced operational technology like SCADA, GIS, IT automation etc. safety related expenses are also forming part of A&G.

Hon'ble Commission's in their earlier orders, has considered only 7% increase over the allowable A&G expenses of the previous year. The 7% increase is taken on account of inflation on the normal A&G expenses. But, with the current scenario, cost of inflation is very high, hence the A&G expenses for FY 22-23 is projected at Rs. 151.76 Cr by considering past trend, inflation scenario and additional requirement of Rs. 13.35 Cr. The approved A&G for FY 21-22 of TPWODL is Rs.103.17 Crs (Approved in ARR Rs.63.66 Crs + approved through ABP Rs.39.51Crs).

In ARR application FY22-23, TPWODL has not proposed any tariff hike & the company will meet the short fall through additional sale & proposed tariff rational measures along with efficiency gain.

2. **Respondent's view/objection:** Billing is not correct but DPS charges @ 1.25% p.m. is being charges needs to be withdrawn & disconnection of supply without notice should be stopped.

TPWODL Rejoinder: After taking over Distribution business, TPWODL has taken different initiatives like introduction of MBC, SBM activity, various digital avenues for bill payment hence billing % has increased. As per RST order, prompt payment rebate 10 paise per unit, additional 5 paise per unit rural rebate and digital rebate of 2% is available. If a consumer is paying the bill in time DPS is not applicable and licensee also intends all its consumers should always avail rebate and prefer to avoid DPS.

TPWODL is not disconnecting the supply without prior intimation to a bona fide consumer.

3. **Respondent's view/objection:** Interest calculation for whole year on capex loan.

TPWODL Rejoinder: It is submitted that in ARR FY22-23, TPWODL has submitted Capex plan of Rs.582 Cr & Capex loan is considered for 70% of Capex amount i.e. Rs.407.5Cr. The interest on capex loan has been calculated @8% p.a. for an average period 4 months not on full year.

4. **Respondent's view/objection:** The SD amount may be calculated on actual LF instead of normative load for existing customer

TPWODL Rejoinder: In case of initial connection the licensee is calculating the SD amount as per Supply code Regulation 52(i) & (ii) which is on normative basis however,

in case of existing consumer if additional SD is required upon annual review the same is demand on the basis of previous years actual consumption.

For and on behalf of TPWODL

Ushirad Ch Nanda

GM (RA & Strategy)

Burla

Dated:

C.C. : Mr. Priyabrata Sahu, bijaya Bihar, 3rd lane, P.O.: Berhampur, Dist: Ganjam,
Pin: 760001

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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NOTARY

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SAMBALPUR-ORISSA

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: Shri Ramesh Ch. Satpathy, aged about 78 years, Plot no. 302(B), Beherasahi, Nayapally, Bhubaneswar-751012, Dist_ Khurda, president of Upobhuokrta Mahasangha, Bhubaneswar & the secretary of National Institute of Indian Labour.

Sub:- Rejoinder to objections submitted before Hon'ble Commission against ARR & Retail Supply tariff application of the Licensee for the FY2022-23 which has been registered as case No. 109 of 2021.

Point wise reply to the objection raised by objector are appended below: -

1. Respondents View/ Objection: Status & expenditure for network growth, augmentation and SS development.

TPWODL Rejoinder: - Hon'ble Commission has approved the Capex Plan for FY 21-22 for an amount of Rs.333.13 crs under different head. The capex work is under progress and the licensee is hope full to complete the assignment within time schedule. For FY 22-23 an amount of Rs.582.18 crs has been proposed towards capex. The detailed capex plan for FY 21-22 as approved by Hon'ble Commission (case no 7 of 21) and the capex plan for 2022-23 as proposed in ARR has been placed herein below for perusal:

S.No.	Major Category	Activity	Works covered	Proposed Capex Amount (Cr)	Approved Capex Amount (Cr)
1	Statutory, Safety and Security	i) Life enhancement of feeder network in respect of maintaining safe horizontal / vertical clearances	Increasing Safety clearances of 33KV/11KV line/cable for Urban and rural Areas. Installation of new Cradle guard	15.24	15.24

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			Intermediate poles and insulated conductor for animal safety in forest areas (not covered any govt. approved schemes)	5.3	5.3
		ii). Provision of Safety Equipment & PPEs to workforce	Electrical Testing Equipment	12.05	12.05
			Safety Equipment for work force.		
		iii) Earthing, Fencing	Additional Earthing at Grid Sub-station	55.54	55.54
			Additional Earthing at distribution Sub station		
			Boundary Wall and infrastructure works at Grid sub-station		
			Fencing provision at distribution Sub station		
		iv) Meter Testing Lab	Establishment of additional NABL accredited Meter Testing Labs - 3 Nos	10.35	10.35
			Total of Statutory , Safety and Security	98.48	98.48
2	Loss Reduction	i) Energy Meter replacement	Meter replacement against burnt / Faulty / obsolete Technology / DT Meter and No Meter (3.53 Lacs)	81.63	4.08
		ii) Technical Intervention- Installation of Smart meters	Installation of 27800 Nos of Smart meters	47.37	Not approved
		iii) Refurbishment /augmentation of 33KV/11KV/0.415 KV network to reduce Losses.	33KV line/cable Augmentation	38.4	38.4
			11KV line and LT network Augmentation		
			Total of Loss Reduction	167.4	42.48
	Reliability	i) Refurbishment/Life enhancement of 33/11KV Primary	33/11KV bay equipment refurbishment	20.16	20.16

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		Substation / Additional New Substations	Replacement of Battery & Battery Charger at Grid sub-station.		
		ii) Pilot Project for Installation of Fault Passage Indicator (FPI)	Fault Passage Indicator on 33 KV and 11KV voltage level.	2	2
		iii) Augmentation of LV side protection System along with DT LA.	LT ACB & MCCB- 400 Amp -25 Nos	12.45	12.45
			Lightning Arrestors- 400 Set		
			Switch fuse unit- 1500 Nos		
			Feeder Pillar- 400 Nos		
		iv) Installation of AB switches/ Isolators/ Insulators on 33KV and 11Kv Network.	AB Switch 11KV & 33 KV- 400 Amp/ 200 Amp- 1300 Nos	14.3	14.3
			Isolator 33KV -850 Nos		
			Insulator 33 KV and 11KV - 17000 Nos,		
			HT spacers for 150 Km		
			Total of Reliability	48.91	48.91
4	Load Growth	Network enhancement / Unforeseen emergency Capex requirement	33KV & 11KV new line, additional link-line	39.71	39.71
			Addition and Augmentation of DT & PTR		
			Total of Load Growth	39.71	39.71
vi) Improvement of Civil Infrastructure vii) Ready to Use assets for Offices	Construction and Up gradation of office infrastructure, PSCC, IT, wash room, connecting road, record room Equipment foundation for breaker, new transformer, PT, Gravel filling, inside substation work Up gradation of Storage space access Road, height of storage platform	23.62	Infrastructure for Customer Care, Call Centre, Payment Centre and Section Offices	2.04	2.04
		ii) Technology Intervention-IT & Technology.	IT & Technology for process efficiency & enhanced productivity.	42.02	42.02
		iii) Technology Intervention- GIS & SCADA Implementation.	GIS Implementation	9.37	5

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Ready to Use assets for Offices. Total of Technology & Infrastructure	5	SCADA Implementation	15.3	15.3
	107.92	GSAS Implementation	9.52	9.52
	v)Security system in Central Store	Security system in Central stores.	1.05	1.05
				23.62
				5
				103.55
		Total	462.42	333.13

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Proposed Capex Plan for FY22-23

S.No.	Major Category	Activity	Works to be covered	Amount in Cr
1	Statutory, Safety and Security	i) Life enhancement of network and maintaining safe horizontal / vertical clearances	Increase of height for 11 kV and 33 kV sagging line.	5.50
			Cradle guard at 33KV & 11KV- road crossing, populated area, school area.	2.00
			Intermediate Pole for 33KV,11KV & LT Network near the forest area	4.50
			Replacement of Open Conductor with Covered Conductor	3.00

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		ii) Provision of Testing Equipment & PPEs to workforce	Testing equipment	2.00		
			Safety Equipment (like Arc Suit, Neon Tester, Insulating Material and Others) for work force.	3.00		
		iii) Earthing, Fencing	Earthing of PSS	0.50		
			Earthing of DSS & Pole	3.00		
			Fencing of Distribution Substation	12.00		
		iv) Boundary Wall and infrastructure works at Grid sub-station	Boundary wall of Primary Substation	12.00		
			Gravel filling for Primary substation	1.00		
			Access road to switchyard and stores	2.00		
			control room and Building refurbishment	2.00		
			provision for water supply for PSS/Offices (Watering for Earth pit)	0.50		
		Sub Total- Statutory, Safety and Security			53.00	
2	Loss Reduction	i) Energy Audit & Meter related activity	Replacement/ Segregation of Old 11 kv breaker/ Group Breaker with new (O/D CT-) (including civil & control cable)	34.30	Expended as a benefit.	
			Meter testing equipment for field staff	1.00		
			Different sizes of Control cable	2.86		
			Replacement of Old 33KV & 11 KV 1Ph & 3Ph PT/CT at PSS(O/D Type)	4.00		
			Replacement of Defective Relay	2.50		
			Replacement of Protection Panel along with associated equipment	1.00		
		ii) spot billing	spot billing devices (Bluetooth Printer +Mobile)	3.20		
		iii) Replacement of LT Bare conductor with AB cable	Replacement of LT Bare conductor with AB cable	30.00		
		Sub Total-Loss Reduction			78.86	
3	Reliability	i) Replacement/Addition of network component in	Refurbishment work in PSS (Structure Replacement / Yard Refurbishment)	5.00		
			New 11 Kv breaker	5.00		

33/11KV Primary Substation.	New 33 Kv breaker	4.00
	Control cable	4.00
	Replacement of 11 KV and 33 KV damaged CT and PT	2.30
	Replacement of Defective Relay	1.00
	Replacement of Protection Panel along with associated equipment	3.00
	Replacement of station transformer 33/0.440 KV	1.00
	Replacement of Battery & Battery Charger	1.50
	Installation of capacitor bank	1.00
	Transformer repair shop	12.00
	New High mast light for area lighting	1.00
ii) Replacement/Addition of network component in 33KV & 11KV Line.	Refurbishment/Augmentation of old 11KV line	30.00
	Refurbishment/Augmentation of old 33KV line	8.00
	Installation of 11KV & 33 KV FPI	4.00
	Installation of 11KV & 33 KV 400A/200A AB switches & Isolator	5.00
	Installation of 33KV & 11 KV RMU	4.00
iii) Replacement/Addition of network component in Distribution Substation.	33KV & 11kV Auto Recloser & Sectionalizer	14.00
	Transformer foundation	1.10
	Refurbishment of 250 & 315 KVA DSS along with LT Protection	8.00
	Installation of New DD Fuse Unit/LA/Hanging Feeder Pillar at DSS	4.00
	Mobile Transformer/DTR for Emergency restoration for Hospital/ Collector Office during Cyclone/ KalBaisakhi	1.50
Sub Total-Reliability		120.40

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4	Load Growth	Network enhancement / Unforeseen emergency .	Construction of 33 KV New/Link Line	35.00
			construction of new 11 kv agricultural feeder	15.00
			Construction of 11KV New/ Link Line	35.00
			Construction of new PSS along with line in urban area (Total Rs.75 Cr for 2 years)	45.00
			Addition/Augmentation of PTR	15.00
			Addition/Augmentation of DTR 63 KVA and above	15.00
			Addition /Augmentation of 1 ph &3 Ph DTR of 16 KVA and 25 KVA in Rural/ Agriculture Area	8.00
			Addition of New LT ABC Network	6.00
			Addition of New 11KV/ 33 KV Bay	2.00
Sub Total- Load Growth			176.00	
5	Technology & Infrastructure	i) Infrastructure to meet Customer needs.	Infrastructure for call center	1.82
			IT Infrastructure for Commercial Back Office	0.96
		ii) Technology Intervention-IT & Technology.	Data Centre at Sambalpur	1.59
			Front end devices and end user licences	16.31
			DC Hardware	17.26
			DC Software and Licences (ERP,MBC,OS,DB etc.)	8.00
			Locational Network	16.21
			Optical Fibre Cabling	2.24
		iii) Technology Intervention- GIS,SCADA & Others Implementation.	Implementation of GIS	21.45
			Implementation of Automation/Scada	23.88
			Communication Infrastructure	18.65
		iv) Improvement of Civil Infrastructure	New wash room	2.00
			Additional Material Storage area	2.00
New store building	1.50			

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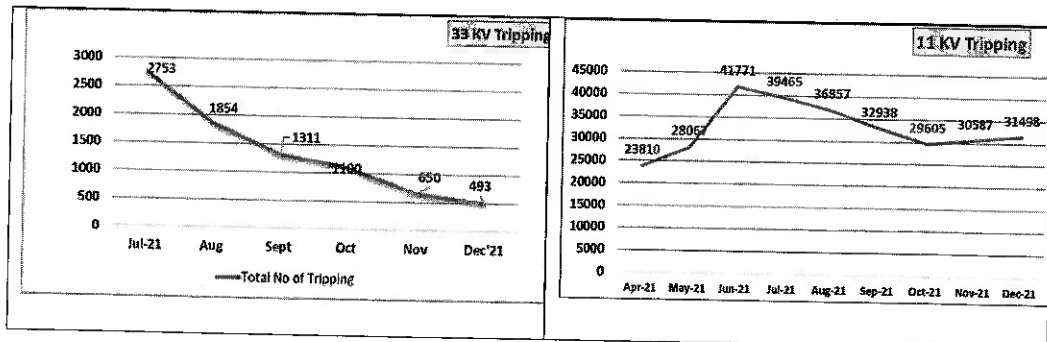
		New Building for Division/ Subdivision Section/Commercial Office.	12.00
		Refurbishment of old building for office at various location	4.00
	v) Security system in central store	Security system in central store	1.05
	vi) Ready to Use assets for Offices	office furniture	3.00
Sub Total-Technology & Infrastructure			153.92
Grand Total			582.18

2. Respondents View/ Objection: Service regulation for outsourced employees

TPWODL Rejoinder: - TPWODL has executed contracts with third party agencies and assigned the various activity like MBC, 33 kv maintenance, 11 kv maintenance, enforcement etc on job contract basis. No such employee has been outsourced in TPWODL payroll for which service regulation is required.

3. Respondents View/ Objection: Status report of shut down, break down since lar year

TPWODL Rejoinder: - TPWODL has initiated no of activity for reduction of interruption, break down etc during last one year. On implementation of the various measures the power supply position has improved. The tripping data from July'21 -Dec'21 for 11KV and 33 KV is shown in the below graphs:



Kshirod Ch. Nanda

From the above graphs it is clear that through continuous patrolling, network augmentation, periodic maintenance etc. number of tripping has been gradually reducing.

4. Respondents View/ Objection: Status report of DMS

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TPWODL Rejoinder: - TPWODL has executed an agreement with EESL for demand side management through wide adoption of energy efficient equipment. In the coming days position will further improve.

5. **Respondents View/ Objection:** Performance evaluation of employees who have been working for more 5 to 10 years in a particular location.

TPWODL Rejoinder: - As per company policy employees are governed so also as per terms of vesting order employees of erstwhile Wesco utility. Their Promotion, transfer etc are dealt accordingly.

6. **Respondents View/ Objection:** Uniform pension scheme for all employees.

TPWODL Rejoinder: Employees of erstwhile Wesco utility are dealt as per terms of vesting order and as per existing pension scheme continuing as such. For employees' other than transferred employee, payment of terminal/retirement dues are dealt accordingly.

For and on behalf of TPWODL

Lehrrood G Nanda.
GM (RA & Strategy)

Burla

Dated:

C.C. : Shri Ramesh Ch. Satpathy, aged about 78 years, Plot no. 302(B), Beherasahi, Nayapally, Bhubaneswar-751012, Dist_ Khurda, president of Upobhuokrta Mahasangha, Bhubaneswar & the secretary of National Institute of Indian Labour.

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT
20/01
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NOTARY
Regd. No. ON 2319a
SAMBALPUR-DIGRESA

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited
Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: The Utkal Chamber of Commerce & Industry Ltd. (UCCI), N-6, IRC Village,
Nayapalli, Bhubaneswar – 751015. Email: contactus@utkalchamber.in,
pwrтч@gmail.com, Phone: 9437155337

Subject: Rejoinder to objections received by The Secretary, Odisha Electricity
Regulatory Commission against the Retail Supply tariff application of
TPWODL for the FY2022-23 vide case No. 109 of 2021.

Para wise Rejoinder to objection: -

- Respondent's view/objection:** The respondent has submitted that the Distribution Loss to be approved should be at a very low level

TPWODL Rejoinder: It is submitted that for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT& C loss" and the trajectory for the same is fixed till FY 2030-31 in the vesting order for tariff determination process.

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%

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FY 2030	10.00%
FY 2031	9.50%

Hence it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

- Respondent's view/objection:** The Hon'ble Commission may scrutinize the power procurement proposed by TPWODL by comparing actual consumption during the year 2021-22 and it may be approved at a very low level compared to value as earlier approved by Hon'ble Commission in FY 2022-23

TPWODL Rejoinder:

The sales forecast and power purchase as proposed by the licensee for the ensuing year is basing upon actual of FY 20-21 (full year) & 1st six month of current year (FY 21-22). While finalising the ARR of the DISCOMs, Hon'ble Commission also conducts prudent check and obtains actual figure till Jan-22 of the current year. As like of previous year TPWODL has already given its actual data till Dec-21 while replying to query of Hon'ble Commission. So, fixation of lesser input as compared to the desired quantum will not help the consumer of the state rather invites scope for power regulation which is not the motto of our nation.

- Respondent's view/objection:** Approval of distribution cost only in addition to the bulk supply price & transmission cost

TPWODL Rejoinder: TPWODL has filed the ARR application for FY 2022-23 as per para no. 7.2 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 where the components to be considered for ARR is clearly mentioned. Accordingly, the distribution cost has been prudently projected and may please be approved

- Respondent's view/objection:** Tariff determination for FY 2022-23 & Rationalisation. TPWODL in its present application has asked for a substantial increase of energy charges and the demand charges. We request the Commission for outright rejection of the claims of TPWODL.

TPWODL Rejoinder: In ARR application FY22-23, TPWODL has not proposed any tariff hike & the company will meet the short fall through additional sale & proposed tariff rational measures along with efficiency gain. Rather, TPWODL has placed no of

proposal before Hon'ble Commission to provide cheaper power to industries. For Cold storage units TPWODL proposes in its ARR to extend Govt Subsidy in line with Hon'ble Commission's order in case no 3 of 2021

5. **Respondent's view/objection:** Treatment of Additional Income of DISCOM due to kVAh billing

TPWODL Rejoinder: As per RST order 2021-22, kVAh billing has been implemented for HT & EHT consumers w.e.f 4th April 21.

The component of non-tariff income has been well defined in Para 7.60 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014, which does not include the aforesaid component of kVAh. However, the surplus revenue if any due to kVAh impact shall be trued up in the ARR in appropriate manner.

6. **Respondent's view/objection:** Energy Audit & Standard of Performance Audit through Third Party

TPWODL Rejoinder: TPWODL is in the process of installation of DT check meters for energy audit and has submitted an elaborate plan regarding it in the ARR application for FY 2022-23. Reference may be made to para 2.5.1 of the ARR application for FY 2022-23.

In regard of Standard of performance, TPWODL has already submitted the data for FY 2020-21 and the data of FY 2021-22 to be submitted on time before commission.

7. **Respondent's view/objection:** Electrification of Industrial park and MSME cluster should prioritize in consultation with IDCO.

TPWODL rejoinder: In the Capex plan due care has been taken to accommodate the new connection which includes MSME's, New industrial park under the head of Load Growth Category. TPWODL has proposed a planned capex of ₹. 176 Cr in the ensuing year. High priority is given to MSME sector and power supply is being released within stipulated time. Processing of application has been digitalized and customer driven without manual intervention.

8. **Respondent's view/objection:** Prioritize MSME in procuring services and products

TPWODL rejoinder: As regards to MSME vendors, TPWODL is continuing with the same practice followed by erstwhile WESCO utility, such as waiving off tender fees and relaxation in EMD amount. The licensee is procuring its material through open

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tendering process where all the vendors are invited and can participate without any reservation.

9. **Respondent's view/objection:** About pending payment, Bank Guarantee of MSME of the vendors of earlier Utilities i.e WESCO are to be paid by new licensee managed by Tata Power i.e. TPWODL

TPWODL Rejoinder-As per direction of vesting order TPWODL is mandated to honor the legitimate liability of erstwhile Wesco utility and subsequent direction in carve out order.

10. **Respondent's view/objection:** Demand Side Management

TPWODL Rejoinder- TPWODL has already executed an agreement with EESL for demand side management through wide adoption of energy efficient equipment. Going forward it will yield result on implementation.

11. **Respondent's view/objection: Initiation of E-Mobility Programme in TPWODL**

TPWODL Rejoinder-TPWODL is always committed towards Green solution. Certain initiatives are being taken such as Digitalization of records, like MANAK app for capturing new meter installation records, reservation through SAP, IT implementation, entire connection management process has been digitalized etc. The E-mobility initiatives is under planning. Similarly, to promote digital payment the licensee has proposed rebate of 3% against continuance of 2%.

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12. **Respondent's view/objection:** Constitution of GRF through outsiders

TPWODL Rejoinder- GRFs have been established as per the provision of Hon'ble Commission's Regulation. The selection of members as per the said regulation only. The suggestion/Views of respondent are beyond the scope of existing regulation.

13. **Respondent's view/objection:** Apprehension for development of Monopoly attitude by TATA Power

TPWODL Rejoinder-Some of the objector has also pleaded while vesting the Wesco utility with new operating company that there would be development monopoly if the licensee will be handed over to a single entity. Para 76 of the vesting order of TPWODL vide case no. 82/2020 commission has emphasized on "*the RFP stipulates different performance parameters for the three utilities. The commitments of the successful bidder are also different for the three utilities. Performance review of the licensees as per Para*

57 of this Order shall be on the basis of performance of the licensees vis-à-vis the performance parameters set in the RFP as well as the commitments made in the bid. The utilities are separate legal entities under the Electricity Act and accordingly the Commission has treated them separately while discharging its function under Section 21 of the said Act. The coincidence cannot override the statute. On the concern regarding single bidder, the Commission points out that two bids were received which were evaluated by an independent Evaluation Committee. The successful bidder has been selected on the basis of evaluation of both technical and financial bids by that independent Evaluation Committee."

14. **Respondent's view/objection:** Improvement in MBC (Meter Reading, Billing, Collection) for reducing AT&C losses through Short Term & Long-Term Plan
TPWODL Rejoinder- TPWODL has successfully awarded the contracts for MBC through competitive bidding. This initiative has already started to shown improvement in billing & collection efficiency hence reduction in AT&C losses.

15. **Respondent's view/objection:** 3% Digital rebate to MSME's and HT category
TPWODL Rejoinder- The payment of electricity dues of MSME & HT sector are always through NEFT/RTGS transaction and they are availing the rebate as otherwise permissible. Hon'ble Commission has approved the digital rebate only in case of single phase Domestic and GP consumers those monthly bills are less than even thousand per month to promote collection and reduce burden from cross subsidising customers for a holistic reason.

For and on behalf of TPWODL

Lehitool G Namda
GM (RA & Strategy)

Burla

Dated:

C.C. : The Utkal Chamber of Commerce & Industry Ltd. (UCCI), N-6, IRC Village, Nayapalli, Bhubaneswar - 751015. Email: contactus@utkalchamber.in, pwrтч@gmail.com, Phone: 9437155337

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited
Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: Mr. Ashok Kumar Nanda, Convener, Odisha, Janashakti Manch
Plot No.196/2282, Mukti Nilay, Khandgiri, Bhubaneswar, Odisha-751030

Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application by Licensee for the FY2022-23 vide case No. 109 of 2021.

Point wise reply for the objection raised by objector are appended below: -

1. Respondent's view/objection: Expired Tariff Regulations'2014

TPWODL Rejoinder: The validity of a substantive regulation continues unless it is repealed or otherwise amended by appropriate authority. Accordingly, the Tariff Regulations 2014 is continuing as such till modification/amendment by Hon'ble Commission. Further, the 2014 Tariff Regulations provide for a Control Period fixed by the Hon'ble Commission from time to time. While the 1st Control Period has been specified as from 1st April 2014 to 31st March 2019, the Controllable / Uncontrollable Costs as per Regulation 4.6 of Tariff Regulations, 2014 specify the following:

.....

"Provided further that the above specified table will be valid for the First Control Period i.e., 1st April and upto 31st March 2019 or till the same is revised by the Commission"
(Emphasis Supplied).

It may be appreciated that the vesting of erstwhile WESCO Utility to TPWODL has been duly exercised by Hon'ble Commission under provision of Sec. 20 and Sec. 21 of the Electricity Act, 2003. TPWODL as holder of distribution licensee has the responsibility/obligation to file its ARR for the ensuing year as per existing provision of Regulation and Act. Accordingly, the provision of OERC (Terms and conditions for

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determination of Wheeling tariff and retail supply tariff) Regulation 2014 shall applicable to TPWODL till further amendment to it.

2. **Respondent's view/objection:** No truing up of Tariff Orders since last several years

TPWODL Rejoinder: As per terms of regulation truing petition has to be filed by the Distribution licensee prior to ARR filing for the previous year. TPWODL has taken over the distribution business w.e.f 1st Jan-21. The current ARR application is for ensuing year FY 22-23 accordingly, previous year is FY 20-21. TPWODL operation for FY 20-21 was for three months. Accordingly, the True-Up petition for the period ending March'21 has been filed with the Hon'ble Commission which has been registered as Case No 116 of 2021.

As regards to past period true up the same needs to be treated as per terms of vesting order. Vesting order of Wesco utility (case no.82 of 2020) para 50 says

"In case of true up exercise done for any year earlier to the year of Effective Date of takeover, any financial gain or loss arising as a result of the true up exercise shall be retained by WESCO utility/residual company"

So, any surplus or deficit for the past period upto the respective Effective Dates (i.e. Transfer Dates) will be retained by the erstwhile Utilities.

As regards to TPWODL, past period true up exercise has no bearing.

3. **Respondent's view/objection:** Absence of Multi Year Tariff Approach

TPWODL Rejoinder: Upon vesting of Wesco utility with TPWODL, Hon'ble Commission has issued license condition to the new licensee vide order dt.26th march-21. Similarly, new Bulk Supply Agreement (BSA), Agreement with OPTCL for Transmission charges, opening of letter of credit towards power purchase & transmission charges has already in place. Filing of Business plan on the basis of MYT concept required certain mandate /predefined parameters basing upon which the licensee will file their MYT application. Hon'ble Commission is yet to modify the provision of existing regulation. However, Hon'ble Commission has already directed in the vesting order to the extent of AT&C loss projection till FY-30-31 for tariff determination process. For TPWODL the following AT&C loss target for tariff determination has been fixed By Hon'ble Commission.

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%

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FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

4. **Respondent's view/objection:** The Proceeding to determine Tariff is imprudent & unrealistic.

(i) Truing Up Order for previous year to be considered while filing ARR for Tariff determination for Ensuing Year

TPWODL Rejoinder: As explained above TPWODL has already filed True-Up Petition for FY 20-21 (3month period 1.01.21 to 31.03.21) basing on its Audited Accounts. While determining the ARR and Tariff for FY'23, the Hon'ble Commission shall consider all facts and submissions, including the True-Up Petition. The true up petition which was filed with Hon'ble Commission has been registered as Case no 116 of 2021.

5. **Respondent's view/objection:** Sales Forecast, Normative Loss, Inputs Energy & Power Purchase Cost

TPWODL Rejoinder: TPWODL agrees with the Respondent's views that Sales forecast should be taking into account various factors such as reduction in T&D losses, past years' growth along with exceptional factors like Covid-19 impacted period, etc. The applicant in Para 2.2 of the ARR application has given the sales forecast of HT, EHT & LT consumers based on last years & Half year actual figures. It is pertinent to mentioned here that during last year impact of Covid-19 was much higher, situation has improved after Sep-21 towards increase in industrial consumption. Hence the quantum as projected by the licensee is achievable. While projecting the sales figure towards HT & EHT, consumer wise analysis has been made. Even the industries having CGP their drawl pattern from licensee, behavior of open access drawal etc has also been considered.

6. **Respondent's view/objection:** Operation & Maintenance (O&M) & Other Cost of ARR

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TPWODL Rejoinder: It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility since last ten years. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022.

As regards to FY 22-23 is concerned with the above approved base of FY 21-22 TPWODL has proposed a recruitment plan of 700 employees for the ensuing year. So, the proposed employee cost of Rs. 629.06 Cr. for FY 2022-23 is justified and may please be approved.

That, as regards to Repair & Maintenance (R&M) expenses for the ensuing year FY 2022-23 has been estimated on the basis of 5.4% of Opening Gross Fixed Assets (GFA). The opening GFA works out to be Rs 1963.50 crores, based on which the proposed R&M expenses is to the tune of Rs 106.03 crores. The licensee also entitled for R&M expenses on assets created through Govt grant.

As regards to Grant Assets the scheme wise value is appended below:-

Sl No	Name of Scheme	Amount in Cr
1	ODSSP	930.23
2	DDUGJY New	257.00
3	IPDS	211.40
4	DDUGJY 12TH PLAN (PGCIL)	496.70
5	DDUGJY 12TH PLAN (NTPC)	870.48
Total of A		2765.81

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Sr. No	Scheme	Amount in Cr	Executed through
1	BGJY	107.69	District Collector
2	BGJY DTR	3.30	DISCOM
3	BSVY	21.92	District Collector
4	CAPEX	105.14	DISCOM
5	DESI/IAP	53.29	DISCOM
6	ELEPHANT CORRIDOR	20.54	DISCOM
7	KBK	1.91	DISCOM
8	MP-MLA	2.12	DISCOM
9	PHAILIN	0.45	DISCOM
10	RLTAP	76.75	District Collector
11	SAMLESWARI TEMPLE	4.88	DISCOM
12	SCHOOL & ANGANWADI	9.12	DISCOM
13	WODC	5.70	DISCOM
14	DMF	15.90	DISCOM
TOTAL of B		428.69	
Total of A+B		3194.50	

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Considering the above value of Grant assets amounting to Rs. 3194.50 Crs. The entitlement of R&M @ 5.4% for FY 22-23 on the above amount comes to Rs. 172.50 Cr.

Therefore, the total proposed R&M expenses for FY22-23 is 278.53 Cr [172.50 Cr + 106.03]. The R&M cost has increased compared to last year due to deployment of 11KV & 33 KV AMC for maintaining asset condition & attending breakdown round the clock. In 11 KV & 33 KV AMC cost is given below.

That, upon taken over of business, TPWODL has engaged agency circle wise through transparent bidding process for meter reading, billing and collection activity which is the major expenditure under A&G head. Apart from above certain revenue improvement A&G

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expenses like engagement of arrear collection agents and their commission, expenses of Customer Care, vigilance/enforcement activity etc has also been taken up and related cost thereof included under A&G head. O&M Expenses towards improvement of reliability, advanced operational technology like SCADA, GIS, IT automation etc. safety related expenses are also forming part of A&G.

Hon'ble Commission's in their earlier orders, has considered only 7% increase over the allowable A&G expenses of the previous year. The 7% increase is taken on account of inflation on the normal A&G expenses. But, with the current scenario, cost of inflation is very high, hence the A&G expenses for FY 22-23 is projected at Rs. 151.76 Cr by considering past trend, inflation scenario and additional requirement of Rs. 13.35 Cr. The approved A&G for FY 21-23 of TPWODL is Rs.103.17 crs (Approved in ARR Rs.63.66 crs + approved through ABP Rs.39.51 crs)

In ARR application FY22-23, TPWODL has not proposed any tariff hike & the company will meet the short fall through additional sale & proposed tariff rational measures along with efficiency gain.

7. Respondent's view/objection: Non-tariff Income details

TPWODL Rejoinder: Rreceipts of other income till Nov-21 of FY 21-22 under different head like Meter Rent, Reconnection Charges, Service Connection charges, supervision charges, DPS to the extent of collection, interest on FD etc is Rs.98.34 Crs

For and on behalf of TPWODL

Lokesh Chandra Nanda
GM (RA & Strategy)

Burla

Dated:

C.C. Mr. Ashok Kumar Nanda, Convener, Odisha, Janashakti Manch, {lot No.196/2282, Mukti Nilay, Khandgiri, Bhubaneswar, Odisha-751030

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: M/s. Shubh Ispat (P) Limited having its Regd. Office at Jiabahal, Kalunga-770031, Dist-Sundargarh. Email: shubhispatpvtltd.com , Mobile: +91-6372714643

Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2022-23 vide case No. 109 of 2021.

Point wise reply for the objection raised by objector are appended below: -

1. Respondents View/ Objection: Respondent gives a Proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

TPWODL Rejoinder: Respondent has given statistics that in FY20-21 total 51 Nos. steel Industries having load of 152.68 MVA has closed their units & total 12 Nos. Steel Industries are planning to close their unit due to higher tariff in Odisha State as compared to tariff in neighbouring state i.e in Chhattisgarh, Jharkhand & planning to shift their industry in neighbouring state.

To retain such industries who are migrating to other states, TPWODL has submitted the proposal of special tariff. To match with neighbouring state, TPWODL offer a proposal who are connected in 33kv level with CD of 1MW and above and have no CGP with the following condition

- on achievement of 75% LF up to 80% LF a discount of 8% on entire Energy charges,
- on achievement of LF >80% to 90% LF, discount of 9% on entire energy charges
 - Those who will achieve LF more than 90% then discount of 10% on entire energy charges can be offered.
- Load reduction shall not be allowed during the tariff year
- Industries opting for open access in any month shall not be eligible for this benefit.

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- This benefit is in addition to all other rebate the consumer is otherwise eligible
- LF shall be calculated as per existing regulation.

However, the respondent thinks that the proposed LF rebate may not be adequate to make steel industry commercially viable. In line with this, respondent has proposed a change in LF rebate mechanism similar to neighboring state. So, respondents has suggest a proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

To retain the industries in the state Hon'ble Commission may take a suitable decision towards framing a competitive tariff as like of neighbouring states.

2. **Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal. The modifications are as follows:

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Proposal submitted by TPWODL	Modification suggested by the respondent
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 22-23.	The industry has to start with lower load and should be allowed for contract demand reduction while staring.
The incentive will be for incremental unit consumption in a month over and above average monthly consumption of the immediately preceding financial year (i.e. 2021- 22).	An additional discount of 50 p/unit on entire energy may be provided for the unit who will start their operation in FY 2022-23.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s). But as per the changes suggested by the respondent, the benefits seem to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopens with a lower load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

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The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

3. **Respondent's view/objection:** The respondent has submitted that the Distribution Loss to be approved should be at a very low level

TPWODL Rejoinder: It is submitted that for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT& C loss" and the trajectory for the same is fixed till FY 2030-31 in the vesting order for tariff determination process.

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

Kobinod Ch. Nanda

Hence it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

4. **Respondent's view/objection:** Projection of EHT, HT & LT sales & approval of Business plan for FY 21-22 & FY 22-23.

TPWODL Rejoinder: The licensee has already submitted its sales projection in details vide para 2.2 of ARR filing. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2020-21 along with 1st six month of current year sales projection has been made. HT & EHT sales projection are always depends upon the nature of drawal of the industries, market position, economic scenario, Government policies, IEX price under open access, etc. In addition to above most of the EHT industries are having their own CGP. The licensee cannot predict correctly the quantum of consumption for such industries. Now a days open access transaction has been increased to many folds. Availability of Renewable

energy is also playing major role. Therefore, projection of HT & EHT sale vis-i-vis actual will always change.

As regards to LT sales, the growth in the domestic category has been estimated at 9.16% during FY 2022-23 as against the estimated growth of around 21.75% during FY 2021-22. The licensee would like to submit that all the households who have electrified under SAUBHAGYA & DDUGJY are all being added to billing fold for which the growth of 21.75% has been considered in current year. The impact of same has been considered while estimating the sales under domestic category for FY 2022-23. The other reason of higher consumption in Domestic sector is on account of replacement of defective meters and electro-mechanical meters in the consumer premises. As a result, actual billing would be improved and the licensee would be able to reduce the T&D loss.

The growth in the sales of other categories in the LT sector has been estimated in the range of 5% during 2022-23 considering the past trends except Irrigation & Pumping, Allied Agriculture and Allied Agro industrial category of consumers where growth of 7.04%, 7.69 & 9.09% respectively has been taken up. The irrigation growth is due to addition of loads as well as metering. The growth under the above categories in current year is around 30% & above due to addition of consumers under Govt's Mega lift scheme and promotion of agricultural sector.

The concern regarding approval of business plan of TPWODL for FY 21-22 & FY 22-23 is concerned, TPWODL has taken over the business w.e.f. 1st Jan-21 by the time Wesco utility has already filed its ARR for FY 21-22 however as per direction of Hon'ble Commission TPWODL was given an opportunity for filing of ABP which was subsequently approved by Hon'ble Commission in case no.37 of 21. Similarly, as regards to figure of FY 22-23 it is now projected with this application for approval of Hon'ble Commission.

5. Respondent's view/objection: Cross subsidy and its surcharge

TPWODL Rejoinder: The Hon'ble Commission has been reducing the applicable CSS for the various categories viz EHT and HT over the period of time. The CSS which was 65% in FY 2018-19 has now been brought to 63% in FY 2021-22. The extracts of the Tariff Order Para 392. *As per mandate of the Electricity Act, 2003 under Section 42 the cross-subsidy surcharge is to be reduced progressively. The Commission is authorized to evolve a methodology for such reduction. Accordingly, the Commission has fixed the leviable surcharge at 63% of the computed value for FY 2021-22.*

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The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

6. **Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

TPWODL Rejoinder: Increase of TOD benefit by another 10/20 paise per unit may not always fulfil the purpose of industries. Apart from this to provide cheaper power to the industries TPWODL has suggested no of proposals if approved by Hon'ble Commission will help in reducing industrial tariff.

7. **Respondent's view/objection:** Issues of ferro alloys plant

TPWODL Rejoinder: To accommodate such plants the proposal as discussed in para 1 will be helpful.

8. **Respondents View/ Objection:** Consideration of power on hour on actual basis for load factor in billing

TPWODL Rejoinder: TPWODL is following the direction of Hon'ble Commission while calculating power ON hours as per para no. 507 of RST order FY 2021-22.

For and on behalf of TPWODL

Kishor Chandra
GM (RA & Strategy)

Burla

Dated:

C.C. M/s. Shubh Ispat (P) Limited having its Regd. Office at Jiabahal, Kalunga-770031,
Dist-Sundargarh. Email: shubhispatpvtltd.com , Mobile: +91-6372714643

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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Kishor Chandra
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**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited
Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: M/s. Reliable Sponge Pvt Ltd having its Regd Office at YYY-6, Civil Township, Rourkela-769004 . Email: director@reliableispat.com, Mobile: +91-9437042232

Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2022-23 vide case No. 109 of 2021.

Point wise reply for the objection raised by objector are appended below: -

- 1. Respondents View/ Objection:** Respondent gives a Proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

TPWODL Rejoinder: Respondent has given statistics that in FY20-21 total 51 Nos. steel Industries having load of 152.68 MVA has closed their units & total 12 Nos. Steel Industries are planning to close their unit due to higher tariff in Odisha State as compared to tariff in neighbouring state i.e in Chhattisgarh, Jharkhand & planning to shift their industry in neighbouring state.

To retain such industries who are migrating to other states, TPWODL has submitted the proposal of special tariff. To match with neighbouring state, TPWODL offer a proposal who are connected in 33kv level with CD of 1MW and above and have no CGP with the following condition

- on achievement of 75% LF up to 80% LF a discount of 8% on entire Energy charges,
- on achievement of LF >80% to 90% LF, discount of 9% on entire energy charges.
- Those who will achieve LF more than 90% then discount of 10% on entire energy charges can be offered.
- Load reduction shall not be allowed during the tariff year

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- Industries opting for open access in any month shall not be eligible for this benefit.
- This benefit is in addition to all other rebate the consumer is otherwise eligible
- LF shall be calculated as per existing regulation.

However, the respondent thinks that the proposed LF rebate may not be adequate to make steel industry commercially viable. In line with this, respondent has proposed a change in LF rebate mechanism similar to neighboring state. So, respondents has suggest a proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

To retain the industries in the state Hon'ble Commission may take a suitable decision towards framing a competitive tariff as like of neighbouring states.

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K. Kumar
of Nanda

Proposal submitted by TPWODL	Modification suggested by the respondent
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 22-23.	The industry has to start with lower load and should be allowed for contract demand reduction while starting.
The incentive will be for incremental unit consumption in a month over and above average monthly consumption of the immediately preceding financial year (i.e. 2021- 22).	An additional discount of 50 p/unit on entire energy may be provided for the unit who will start their operation in FY 2022-23.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s). But as per the changes suggested by the respondent, the benefits seem to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopens with a lower load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

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The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

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loghirool 03 nanda

Hence it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

4. **Respondent's view/objection:** Projection of EHT, HT & LT sales & approval of Business plan for FY 21-22 & FY 22-23.

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energy is also playing major role. Therefore, projection of HT & EHT sale vis-i-vis actual will always change.

As regards to LT sales, the growth in the domestic category has been estimated at 9.16% during FY 2022-23 as against the estimated growth of around 21.75% during FY 2021-22. The licensee would like to submit that all the households who have electrified under SAUBHAGYA & DDUGJY are all being added to billing fold for which the growth of 21.75% has been considered in current year. The impact of same has been considered while estimating the sales under domestic category for FY 2022-23. The other reason of higher consumption in Domestic sector is on account of replacement of defective meters and electro-mechanical meters in the consumer premises. As a result, actual billing would be improved and the licensee would be able to reduce the T&D loss.

The growth in the sales of other categories in the LT sector has been estimated in the range of 5% during 2022-23 considering the past trends except Irrigation & Pumping, Allied Agriculture and Allied Agro industrial category of consumers where growth of 7.04%, 7.69 & 9.09% respectively has been taken up. The irrigation growth is due to addition of loads as well as metering. The growth under the above categories in current year is around 30% & above due to addition of consumers under Govt's Mega lift scheme and promotion of agricultural sector.

The concern regarding approval of business plan of TPWODL for FY 21-22 & FY 22-23 is concerned, TPWODL has taken over the business w.e.f. 1st Jan-21 by the time Wesco utility has already filed its ARR for FY 21-22 however as per direction of Hon'ble Commission TPWODL was given an opportunity for filing of ABP which was subsequently approved by Hon'ble Commission in case no.37 of 21. Similarly, as regards to figure of FY 22-23 it is now projected with this application for approval of Hon'ble Commission.

5. Respondent's view/objection: Cross subsidy and its surcharge

TPWODL Rejoinder: The Hon'ble Commission has been reducing the applicable CSS for the various categories viz EHT and HT over the period of time. The CSS which was 65% in FY 2018-19 has now been brought to 63% in FY 2021-22. The extracts of the Tariff Order *Para 392. As per mandate of the Electricity Act, 2003 under Section 42 the cross-subsidy surcharge is to be reduced progressively. The Commission is authorized to evolve a methodology for such reduction. Accordingly, the Commission has fixed the leviable surcharge at 63% of the computed value for FY 2021-22.*

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The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

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TPWODL Rejoinder: To accommodate such plants the proposal as discussed in para 1 will be helpful.

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TPWODL Rejoinder: TPWODL is following the direction of Hon'ble Commission while calculating power ON hours as per para no. 507 of RST order FY 2021-22.

For and on behalf of TPWODL

Usharood G Nanda
GM (RA & Strategy)

Burla

Dated:

C.C. M/s. Reliable Sponge Pvt Ltd having its Regd Office at YYY-6, Civil Township,
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Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT

Usharood G Nanda
NOTARY
Regd. No. ON 23/94
SAMBALPUR-ORISSA

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: M/s. Maa Girija Pvt Ltd having its Regd Office at BB-2, Ground Floor, Civil Township, Rourkela-769004, Dist-Sundergarh . Email: mgipl2002@gmail.com, Mobile: +91-9437042952

Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2022-23 vide case No. 109 of 2021.

Point wise reply for the objection raised by objector are appended below: -

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Regd. No. ON 23/94
SAMBALPUR: ORISSA

Keyword of Nanda

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However, the respondent thinks that the proposed LF rebate may not be adequate to make steel industry commercially viable. In line with this, respondent has proposed a change in LF rebate mechanism similar to neighboring state. So, respondents has suggest a proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

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Kshirood B Nanda

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Witnessed by Nandan

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NOTARY
Regd. No. ON 23/94
SAMBALPUR, ORISSA

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For and on behalf of TPWODL

Signature of Nanda
GM (RA & Strategy)

Burla

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PART OF AFFIDAVIT
No. 25/01
NOTARY
Regd. No. ON 23/94
SAMBALPUR, ORISSA

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited
Corporate Office Burla, Sambalpur, Odisha-768017
AND

IN THE MATTER OF: M/s. Arun Steel Industries Pvt Ltd having its Regd Office At -Plot No 373
Jiabahal Road Kalunga-770031, Dist-Sundergarh, Odisha . Email: arunsteel16@rediffmail.com,
Mobile: +91-9437045634

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Kejriwal Ch Nanda

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SAMBALPUR, ORISSA

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**BEFORE THE HON'BLE
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AND

IN THE MATTER OF: M/s. Shree Salasar Castings Pvt Ltd having its Regd Office at at/Vill.
Balanda, PO- Kalunga-770031, Dist-Sundergarh, Odisha . Email: salasarcastings@gmail.com,
Mobile: +91-9437116941

Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2022-23 vide case No. 109 of 2021.

Point wise reply for the objection raised by objector are appended below: -

- 1. Respondents View/ Objection:** Respondent gives a Proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

TPWODL Rejoinder: Respondent has given statistics that in FY20-21 total 51 Nos. steel Industries having load of 152.68 MVA has closed their units & total 12 Nos. Steel Industries are planning to close their unit due to higher tariff in Odisha State as compared to tariff in neighbouring state i.e in Chhattisgarh, Jharkhand & planning to shift their industry in neighbouring state.

To retain such industries who are migrating to other states, TPWODL has submitted the proposal of special tariff. To match with neighbouring state, TPWODL offer a proposal who are connected in 33kv level with CD of 1MW and above and have no CGP with the following condition

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- on achievement of LF >80% to 90% LF, discount of 9% on entire energy charges.
- Those who will achieve LF more than 90% then discount of 10% on entire energy charges can be offered.

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22/01
NOTARY
Regd. No. ON 23/94
SAMBALPUR, ORISSA

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However, the respondent thinks that the proposed LF rebate may not be adequate to make steel industry commercially viable. In line with this, respondent has proposed a change in LF rebate mechanism similar to neighboring state. So, respondents has suggest a proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

To retain the industries in the state Hon'ble Commission may take a suitable decision towards framing a competitive tariff as like of neighbouring states.

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Proposal submitted by TPWODL	Modification suggested by the respondent
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The incentive will be for incremental unit consumption in a month over and above average monthly consumption of the immediately preceding financial year (i.e. 2021- 22).	An additional discount of 50 p/unit on entire energy may be provided for the unit who will start their operation in FY 2022-23.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s). But as per the changes suggested by the respondent, the benefits seem to be only consumer centric which will create dissatisfaction among other industries those who are

running/operating. If the closed industry is permitted to reopens with a lower load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

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K. Kumar Ch. Nanda

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As regards to LT sales, the growth in the domestic category has been estimated at 9.16% during FY 2022-23 as against the estimated growth of around 21.75% during FY 2021-22. The licensee would like to submit that all the households who have electrified under SAUBHAGYA & DDUGJY are all being added to billing fold for which the growth of 21.75% has been considered in current year. The impact of same has been considered while estimating the sales under domestic category for FY 2022-23. The other reason of higher consumption in Domestic sector is on account of replacement of defective meters and electro-mechanical meters in the consumer premises. As a result, actual billing would be improved and the licensee would able to reduce the T&D loss.

The growth in the sales of other categories in the LT sector has been estimated in the range of 5% during 2022-23 considering the past trends except Irrigation & Pumping, Allied Agriculture and Allied Agro industrial category of consumers where growth of 7.04%, 7.69 & 9.09% respectively has been taken up. The irrigation growth is due to addition of loads as well as metering. The growth under the above categories in current year is around 30% & above due to addition of consumers under Govt's Mega lift scheme and promotion of agricultural sector.

The concern regarding approval of business plan of TPWODL for FY 21-22 & FY 22-23 is concerned, TPWODL has taken over the business w.e.f. 1st Jan-21 by the time Wesco utility has already filed its ARR for FY 21-22 however as per direction of Hon'ble Commission TPWODL was given an opportunity for filing of ABP which was subsequently approved by Hon'ble Commission in case no.37 of 21. Similarly, as regards to figure of FY 22-23 it is now projected with this application for approval of Hon'ble Commission.

5. Respondent's view/objection: Cross subsidy and its surcharge

TPWODL Rejoinder: The Hon'ble Commission has been reducing the applicable CSS for the various categories viz EHT and HT over the period of time. The CSS which was 65% in FY 2018-19 has now been brought to 63% in FY 2021-22. The extracts of the Tariff Order *Para 392. As per mandate of the Electricity Act, 2003 under Section 42 the cross-subsidy surcharge is to be reduced progressively. The Commission is authorized to evolve a methodology for such reduction. Accordingly, the Commission has fixed the leviable surcharge at 63% of the computed value for FY 2021-22.*

PART OF AFFIDAVIT
NOTARY
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The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

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For and on behalf of TPWODL

Kehimov Oj Nanda

GM (RA & Strategy)

Burla

Dated:

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PART OF AFFIDAVIT

25/01
NOTARY

Regd. No. ON 23/94
SAMBAIPUR: ORISSA

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: M/s. Refulgent Ispat Pvt Ltd having its Regd Office at Plot No-1437 Khata No-261/5 At- Chikatmati Po- Beldihi , Dist-Sundergarh, Odisha Pin No-770031 , Email: , Mobile: +91-9437041152

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PART OF AFFIDAVIT

NOTARY

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Burla

Dated:

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PART OF AFFIDAVIT
2/2/21
NOTARY
Regd. No. ON 23/94
SAMBALPUR, ORISSA

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
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Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited
Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: M/s. Vishal Ferro Alloys Private Ltd having its Regd Office at Plot No-1562/2565, AT-Village Balanda, PO-Kalunga, Dist-Sundergarh, Odisha , Email: vishalferro1@gmail.com , Mobile: +91-7205036804

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PART OF AFFIDAVIT

NOTARY

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 22/10/21
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Kgurod 03 Nanda

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PART OF AFFIDAVIT
[Signature]
NOTARY
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AND

IN THE MATTER OF: M/s. Top Tech Steel Private Ltd having its Regd Office at Plot No-972/3634, Khata No.399, Hatibari Road, Kuarmunda, Dist-Sundergarh, Odisha , Email: toptechsteels@yahoo.com , Mobile: +91-9438647508

Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2022-23 vide case No. 109 of 2021.

Point wise reply for the objection raised by objector are appended below: -

1. **Respondents View/ Objection:** Respondent gives a Proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

TPWODL Rejoinder: Respondent has given statistics that in FY20-21 total 51 Nos. steel Industries having load of 152.68 MVA has closed their units & total 12 Nos. Steel Industries are planning to close their unit due to higher tariff in Odisha State as compared to tariff in neighbouring state i.e in Chhattisgarh, Jharkhand & planning to shift their industry in neighbouring state.

To retain such industries who are migrating to other states, TPWODL has submitted the proposal of special tariff. To match with neighbouring state, TPWODL offer a proposal who are connected in 33kv level with CD of 1MW and above and have no CGP with the following condition

- on achievement of 75% LF up to 80% LF a discount of 8% on entire Energy charges,
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- Load reduction shall not be allowed during the tariff year
- Industries opting for open access in any month shall not be eligible for this benefit.
- This benefit is in addition to all other rebate the consumer is otherwise eligible
- LF shall be calculated as per existing regulation.

However, the respondent thinks that the proposed LF rebate may not be adequate to make steel industry commercially viable. In line with this, respondent has proposed a change in LF rebate mechanism similar to neighboring state. So, respondents has suggest a proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

To retain the industries in the state Hon'ble Commission may take a suitable decision towards framing a competitive tariff as like of neighbouring states.

2. **Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal. The modifications are as follows:

Kshwinda of Nanda.

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Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

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K. Ghoshal
22/10/2022

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a days open access transaction has been increased to many folds. Availability of Renewable energy is also playing major role. Therefore, projection of HT & EHT sale vis-i-vis actual will always change.

As regards to LT sales, the growth in the domestic category has been estimated at 9.16% during FY 2022-23 as against the estimated growth of around 21.75% during FY 2021-22. The licensee would like to submit that all the households who have electrified under SAUBHAGYA & DDUGJY are all being added to billing fold for which the growth of 21.75% has been considered in current year. The impact of same has been considered while estimating the sales under domestic category for FY 2022-23. The other reason of higher consumption in Domestic sector is on account of replacement of defective meters and electro-mechanical meters in the consumer premises. As a result, actual billing would be improved and the licensee would be able to reduce the T&D loss.

The growth in the sales of other categories in the LT sector has been estimated in the range of 5% during 2022-23 considering the past trends except Irrigation & Pumping, Allied Agriculture and Allied Agro industrial category of consumers where growth of 7.04%, 7.69 & 9.09% respectively has been taken up. The irrigation growth is due to addition of loads as well as metering. The growth under the above categories in current year is around 30% & above due to addition of consumers under Govt's Mega lift scheme and promotion of agricultural sector.

The concern regarding approval of business plan of TPWODL for FY 21-22 & FY 22-23 is concerned, TPWODL has taken over the business w.e.f. 1st Jan-21 by the time Wesco utility has already filed its ARR for FY 21-22 however as per direction of Hon'ble Commission TPWODL was given an opportunity for filing of ABP which was subsequently approved by Hon'ble Commission in case no.37 of 21. Similarly, as regards to figure of FY 22-23 it is now projected with this application for approval of Hon'ble Commission.

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TPWODL Rejoinder: The Hon'ble Commission has been reducing the applicable CSS for the various categories viz EHT and HT over the period of time. The CSS which was 65% in FY 2018-19 has now been brought to 63% in FY 2021-22. The extracts of the Tariff Order *Para 392. As per mandate of the Electricity Act, 2003 under Section 42 the cross-subsidy surcharge is to be reduced progressively. The Commission is authorized to evolve a methodology for such reduction. Accordingly, the Commission has fixed the leviable surcharge at 63% of the computed value for FY 2021-22.*

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

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For and on behalf of TPWODL

Keshworee Ch Nanda
GM (RA & Strategy)

Burla

Dated:

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Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT
10/2/2021
NOTARY
Regd. No. OH 1134
SAMBALPUR, ORISSA

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: M/s. D.D Iron & Steel Private Ltd having its Regd Office at H-4/5, Civil Township, Rourkela-769004. Email: ddironsteel@rediffmail.com , Mobile: +91-9776647958, 9437047958

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Kishore Ch. Nanda

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Kghiroel W Nanda

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Burla

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NOTARY
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**BEFORE THE HON'BLE
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BIDYUT NIYAMAK BHAWAN
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Case No.109 of 2021

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Corporate Office Burla, Sambalpur, Odisha-768017

AND

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PART OF AFFIDAVIT

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PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 & 113 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited
Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: The Indian Energy Exchange Limited, Plot No. C-001/A/1,9th Floor, Max Towers, Sector 16B, Noida, Gautam Buddha Nagar, Uttar Pradesh-201301

Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application vide case No. 109 of 2021 & Determination of Open Access charges application vide case No.113 of 2021 of TPWODL for the FY2022-23.

Point wise reply to the objection raised by the objector are appended below: -

- Respondent's view/objection:** Determination of Cross Subsidy Surcharges - The respondent has while applying the formula provided in the National Tariff Policy has considered different values for working out the CSS

TPWODL Rejoinder: As per the provision of existing Regulation and principles followed by the Hon'ble Commission for determination of CSS and wheeling charges for FY 21-22 in RST order vide para 388 to 392.

As per guiding principles of National Tariff policy and mandate of Electricity Act 2003 Hon'ble Commission is reducing the CSS from year to year.

- Respondent's view/objection:** - Error in calculation of CSS and wheeling charges for FY 22-23

TPWODL Rejoinder: There is no such calculation error in the application filed by the licensee. As regards to component of T is concerned the licensee has taken it from the proposed revenue of ensuing year as per existing RST. This is also in line with the Hon'ble

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Commission's formula as per para 388 of RST order FY 21-22. Similarly, the learned objector has the opinion that while calculation of wheeling charges it should be 11% (3% + 8%). As 3% is factored in EHT level where transmission charges are determined for OPTCL & in case of HT it is 8%. Hon'ble Commission is calculating cost of supply, AT&C parameters of the Discom etc consideration of 11% loss which composite of EHT & HT loss may vitiate other aspects.

Further, while calculating D, learned objector has mentioned that it should be composition of all. As transmission charges is the component recovered by separate licensee all together, the relevant voltage level is only HT hence distribution & wheeling charges is considered. Hon'ble Commission is also adopting the same principle.

3. **Respondent's view/objection:** The respondent has proposed Voltage wise Wheeling Charges

TPWODL Rejoinder: In our humble submission, the applicability of wheeling charges arises primarily for Open Access Transaction. At present, the OA is permitted for customers greater than 1 MW which is relevant only when the customer is provided supply on HT. Hence there is no need for working out the LT wheeling charges at present.

Further, it is also relevant to mention here that the Hon'ble Commission in RST Order of FY 2021-22 has clarified to the extent of determination of wheeling charges under HT category without differentiation of 11kv supply & 33 kv supply. The extracts of the order is as under

390. Commission does not differentiate between 11 KV and 33 KV in determination of wheeling charges. The wheeling as per our Wheeling Tariff and Retail Supply Tariff Regulations, 2014 includes distribution system and associated facilities of a distribution licensee, therefore, includes the network both at 33 KV and 11 KV. Therefore, the Commission determines a single wheeling charge for 11 KV and 33 KV.

In addition to the above, Hon'ble Commission has approved cost allocation statement in para 473 of the RST order wherein wheeling cost and retail supply cost has been apportioned. In the similar manner the licensee has proposed for the ensuing year which may please be approved.

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Respondent's view/objection: The respondent has proposed that the concessional charges be retained for Renewable Energy

TPWODL Rejoinder: TPWODL has presented the reasoning under Section 8.1 of the open access application on applicability CSS on RE power. Hon'ble Commission may consider the same while finalizing the applicable charges for FY 2022-23.

4. **Respondent's view/objection:** CSS for peak & off-peak hours

TPWODL Rejoinder: The intention of different CSS for both peak and off peak is to maintain harmony with regards to drawl from Discom during peak & off peak. As the consumer is eligible for TOD tariff in off peak hours is trying to offset the open access drawl with drawl from DISCOM and vice versa.

As regards to tariff of two types of CSS for peak & off peak the difference may be to the tune of TOD benefit.

5. **Respondent's view/objection:** Additional Surcharge

TPWODL Rejoinder: In line with National Tariff policy additional surcharge is leviable to recover the fixed cost of generation power capacity, stranded due to open access. Here, the DISCOM is entirely sourcing its power from GRIDCO and GRIDCO is procuring from different generator as per PPA. A consumer having contract demand with the DISCOM is reserving its capacity to draw on it's need. Based on the CD of the industry and pattern of use, DISCOM is projecting its sale in the ARR. Considering the projected sale OERC is fixing BSP for the DISCOM. So, when a consumer opting for open access is denying the DISCOM power & in turn drawl from GRIDCO reduces and fixed cost incurred by GRIDCO for generator cannot be prevented.

Most of the neighbouring states have also fixed Additional surcharge in similar manner.

6. **Respondent's view/objection:** Open Access beyond CD

TPWODL Rejoinder: The intention of restricting open access to the extent of CD is to protect the system for which it is being paid for. Network assets has its own capacity and limit, continuous stress would definitely affect the network assets adversely for which needs to be compensated. Further, the licensee is forced to create adequate provision in the system at the cost of the other genuine customer.

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7. **Respondent's view/objection:** short term OA consumers should not be asked to submit annual plan

TPWODL Rejoinder: The licensee is planning its Aggregate Revenue Requirement (ARR) where in power purchase & sales based on the CD and drawl pattern of the consumers. Hence, deviation if any due to open access drawl is affecting the revenue of the licensee as well as power purchase price. Therefore, a tentative annual plan would facilitate the licensee to plan its Bulk power requirement in the ARR.

For and on behalf of TPWODL

Kishinrood Ch Nanda
GM (RA & Strategy)

Burla

Dated:

C.C. The Indian Energy Exchange Limited, Plot No. C-001/A/1,9th Floor, Max Towers, Sector 16B, Noida, Gautam Buddha Nagar, Uttar Pradesh-201301

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT

22/01
NOTARY

Regd. No. 01/1994
SAMBAI PUNE

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: M/s. SCAN STEELS LTD (UNIT-III) having its Regd. Office : Office No: 104,105, E-Square, Subash Road, Opp. Havmor Ice Cream, Vile Parle (East), Mumbai-400057 and having works at Vill- Bai-Bai, Tudalaga, Bargaon, Dist-Sundargarh-770016, Odisha Email: scansteels@scansteels.com , Mobile: +91-9937007266, +91-9778827517

Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2022-23 vide case No. 109 of 2021.

Point wise reply for the objection raised by objector are appended below: -

- 9. Respondents View/ Objection:** Respondent gives a Proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

TPWODL Rejoinder: Respondent has given statistics that in FY20-21 total 51 Nos. steel Industries having load of 152.68 MVA has closed their units & total 12 Nos. Steel Industries are planning to close their unit due to higher tariff in Odisha State as compared to tariff in neighbouring state i.e in Chhattisgarh, Jharkhand & planning to shift their industry in neighbouring state.

To retain such industries who are migrating to other states, TPWODL has submitted the proposal of special tariff. To match with neighbouring state, TPWODL offer a proposal who are connected in 33kv level with CD of 1MW and above and have no CGP with the following condition

- on achievement of 75% LF up to 80% LF a discount of 8% on entire Energy charges,
- on achievement of LF >80% to 90% LF, discount of 9% on entire energy charges.

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- Those who will achieve LF more than 90% then discount of 10% on entire energy charges can be offered.
- Load reduction shall not be allowed during the tariff year
- Industries opting for open access in any month shall not be eligible for this benefit.
- This benefit is in addition to all other rebate the consumer is otherwise eligible
- LF shall be calculated as per existing regulation.

However, the respondent thinks that the proposed LF rebate may not be adequate to make steel industry commercially viable. In line with this, respondent has proposed a change in LF rebate mechanism similar to neighboring state. So, respondents has suggest a proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

To retain the industries in the state Hon'ble Commission may take a suitable decision towards framing a competitive tariff as like of neighbouring states.

10. **Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal. The modifications are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 22-23.	The industry has to start with lower load and should be allowed for contract demand reduction while starting.
The incentive will be for incremental unit consumption in a month over and above average monthly consumption of the immediately preceding financial year (i.e. 2021- 22).	An additional discount of 50 p/unit on entire energy may be provided for the unit who will start their operation in FY 2022-23.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s). But as per the changes suggested by the respondent, the benefits seem to be only consumer centric which will create dissatisfaction among other industries those who are

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running/operating. If the closed industry is permitted to reopens with a lower load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

11. Respondent's view/objection: The respondent has submitted that the Distribution Loss to be approved should be at a very low level

TPWODL Rejoinder: It is submitted that for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT& C loss" and the trajectory for the same is fixed till FY 2030-31 in the vesting order for tariff determination process.

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

K. S. Naranda

Hence it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

12. Respondent's view/objection: Projection of EHT, HT & LT sales & approval of Business plan for FY 21-22 & FY 22-23.

TPWODL Rejoinder: The licensee has already submitted its sales projection in details vide para 2.2 of ARR filing. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2020-21 along with 1st six month of current year sales projection has been made. HT & EHT sales projection are always depends upon the nature of drawal of the industries, market position, economic scenario, Government policies, IEX price under open access, etc. In addition to above most of the EHT industries are having their own CGP.

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The licensee cannot predict correctly the quantum of consumption for such industries. Now a days open access transaction has been increased to many folds. Availability of Renewable energy is also playing major role. Therefore, projection of HT & EHT sale vis-i-vis actual will always change.

As regards to LT sales, the growth in the domestic category has been estimated at 9.16% during FY 2022-23 as against the estimated growth of around 21.75% during FY 2021-22. The licensee would like to submit that all the households who have electrified under SAUBHAGYA & DDUGJY are all being added to billing fold for which the growth of 21.75% has been considered in current year. The impact of same has been considered while estimating the sales under domestic category for FY 2022-23. The other reason of higher consumption in Domestic sector is on account of replacement of defective meters and electro-mechanical meters in the consumer premises. As a result, actual billing would be improved and the licensee would able to reduce the T&D loss.

The growth in the sales of other categories in the LT sector has been estimated in the range of 5% during 2022-23 considering the past trends except Irrigation & Pumping, Allied Agriculture and Allied Agro industrial category of consumers where growth of 7.04%, 7.69% & 9.09% respectively has been taken up. The irrigation growth is due to addition of loads as well as metering. The growth under the above categories in current year is around 30% & above due to addition of consumers under Govt's Mega lift scheme and promotion of agricultural sector.

The concern regarding approval of business plan of TPWODL for FY 21-22 & FY 22-23 is concerned, TPWODL has taken over the business w.e.f. 1st Jan-21 by the time Wesco utility has already filed its ARR for FY 21-22 however as per direction of Hon'ble Commission TPWODL was given an opportunity for filing of ABP which was subsequently approved by Hon'ble Commission in case no.37 of 21. Similarly, as regards to figure of FY 22-23 it is now projected with this application for approval of Hon'ble Commission.

13. Respondent's view/objection: Cross subsidy and its surcharge

TPWODL Rejoinder: The Hon'ble Commission has been reducing the applicable CSS for the various categories viz EHT and HT over the period of time. The CSS which was 65% in FY 2018-19 has now been brought to 63% in FY 2021-22. The extracts of the Tariff Order *Para 392. As per mandate of the Electricity Act, 2003 under Section 42 the cross-subsidy surcharge is to be reduced progressively. The Commission is authorized to evolve a methodology*

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SAMBALPUR, ORISSA

for such reduction. Accordingly, the Commission has fixed the leviable surcharge at 63% of the computed value for FY 2021-22.

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

14. Respondent's view/objection: ToD benefit to be increased from 20 paise to 50 paise per unit.

TPWODL Rejoinder: Increase of TOD benefit by another 10/20 paise per unit may not always fulfil the purpose of industries. Apart from this to provide cheaper power to the industries TPWODL has suggested no of proposals if approved by Hon'ble Commission will help in reducing industrial tariff.

15. Respondent's view/objection: Issues of ferro alloys plant

TPWODL Rejoinder: To accommodate such plants the proposal as discussed in para 1 will be helpful.

16. Respondents View/ Objection: Consideration of power on hour on actual basis for load factor in billing

TPWODL Rejoinder: TPWODL is following the direction of Hon'ble Commission while calculating power ON hours as per para no. 507 of RST order FY 2021-22.

For and on behalf of TPWODL

Beharod Ch Nanda
GM (RA & Strategy)

Burla

Dated:

C.C. M/s. SCAN STEELS LTD (UNIT-III) having its Regd. Office : Office No: 104,105, E-Square, Subash Road, Opp. Havmor Ice Cream, Vile Parle (East), Mumbai-400057 and having works at Vill- Bai-Bai, Tudalaga, Bargaon, Dist-Sundargarh-770016, Odisha Email: scansteels@scansteels.com , Mobile: +91-9937007266, +91-9778827517

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PART OF AFFIDAVIT
10/02/2021
NOTARY
Regd. No. ON 23/84
SAMBALPUR, ODISHA

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

AND

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1. **Respondents View/ Objection:** Respondent gives a Proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

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K. Srinivas Ch. N. N. N. N. N.

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For and on behalf of TPWODL

Kishor Ch Nanda

GM (RA & Strategy)

Burla

Dated:

C.C. M/s. SCAN STEELS LTD (UNIT-II) having its Regd. Office : Office No: 104,105, E-Square, Subash Road, Opp. Havmor Ice Cream, Vile Parle (East), Mumbai-400057 and having works at Vill- Budhakata, Bringatoli, Dist-Sundargarh-770018, Odisha Email: scansteels@scansteels.com , Mobile: +91-9937007266, +91-9778827517

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT
22/01
NOTARY
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SAMBALPUR, ORISSA

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: M/s. SCAN STEELS ETD (UNIT-I) having its Regd. Office : Office No: 104,105, E-Square, Subash Road, Opp. Havmor Ice Cream, Vile Parle (East), Mumbai-400057 and having works at Vill- Ramabahal, Po- Keshramal, Near Rajgangpur, Dist-Sundargarh-770017, Odisha Email: scansteels@scansteels.com , Mobile: +91-9937007266, +91-9778827517

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Point wise reply for the objection raised by objector are appended below: -

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TPWODL Rejoinder: Respondent has given statistics that in FY20-21 total 51 Nos. steel Industries having load of 152.68 MVA has closed their units & total 12 Nos. Steel Industries are planning to close their unit due to higher tariff in Odisha State as compared to tariff in neighbouring state i.e in Chhattisgarh, Jharkhand & planning to shift their industry in neighbouring state.

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PART OF KENDRA
27/01
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Regd. No. ON 22/94
SAMBALPUR:OR/35/

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- Industries opting for open access in any month shall not be eligible for this benefit.
- This benefit is in addition to all other rebate the consumer is otherwise eligible
- LF shall be calculated as per existing regulation.

However, the respondent thinks that the proposed LF rebate may not be adequate to make steel industry commercially viable. In line with this, respondent has proposed a change in LF rebate mechanism similar to neighboring state. So, respondents has suggest a proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

Hon'ble Commission may take a suitable decision.

2. **Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal. The modifications are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 22-23.	The industry has to start with lower load and should be allowed for contract demand reduction while staring.
The incentive will be for incremental unit consumption in a month over and above average monthly consumption of the immediately preceding financial year (i.e. 2021- 22).	An additional discount of 50 p/unit on entire energy may be provided for the unit who will start their operation in FY 2022-23.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s). But as per the changes suggested by the respondent, the benefits seem to be only consumer centric which will create dissatisfaction among other industries those who are

running/operating. If the closed industry is permitted to reopens with a lower load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

3. **Respondent's view/objection:** The respondent has submitted that the Distribution Loss to be approved should be at a very low level

TPWODL Rejoinder: It is submitted that for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT& C loss" and the trajectory for the same is fixed till FY 2030-31 in the vesting order for tariff determination process.

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

K. Sridhar Ch. Nanda

Hence it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

4. **Respondent's view/objection:** Projection of EHT, HT & LT sales & approval of Business plan for FY 21-22 & FY 22-23.

TPWODL Rejoinder: The licensee has already submitted its sales projection in details vide para 2.2 of ARR filing. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2020-21 along with 1st six month of current year sales projection has been made. HT & EHT sales projection are always depends upon the nature of drawal of the industries, market position, economic scenario, Government policies, IEX price under open access, etc. In addition to above most of the EHT industries are having their own CGP. The licensee cannot predict correctly the quantum of consumption for such industries. Now

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SAMBALPUR: 751004

a days open access transaction has been increased to many folds. Availability of Renewable energy is also playing major role. Therefore, projection of HT & EHT sale vis-i-vis actual will always change.

As regards to LT sales, the growth in the domestic category has been estimated at 9.16% during FY 2022-23 as against the estimated growth of around 21.75% during FY 2021-22. The licensee would like to submit that all the households who have electrified under SAUBHAGYA & DDUGJY are all being added to billing fold for which the growth of 21.75% has been considered in current year. The impact of same has been considered while estimating the sales under domestic category for FY 2022-23. The other reason of higher consumption in Domestic sector is on account of replacement of defective meters and electro-mechanical meters in the consumer premises. As a result, actual billing would be improved and the licensee would be able to reduce the T&D loss.

The growth in the sales of other categories in the LT sector has been estimated in the range of 5% during 2022-23 considering the past trends except Irrigation & Pumping, Allied Agriculture and Allied Agro industrial category of consumers where growth of 7.04%, 7.69 & 9.09% respectively has been taken up. The irrigation growth is due to addition of loads as well as metering. The growth under the above categories in current year is around 30% & above due to addition of consumers under Govt's Mega lift scheme and promotion of agricultural sector.

The concern regarding approval of business plan of TPWODL for FY 21-22 & FY 22-23 is concerned, TPWODL has taken over the business w.e.f. 1st Jan-21 by the time Wesco utility has already filed its ARR for FY 21-22 however as per direction of Hon'ble Commission TPWODL was given an opportunity for filing of ABP which was subsequently approved by Hon'ble Commission in case no.37 of 21. Similarly, as regards to figure of FY 22-23 it is now projected with this application for approval of Hon'ble Commission.

5. Respondent's view/objection: Cross subsidy and its surcharge

TPWODL Rejoinder: The Hon'ble Commission has been reducing the applicable CSS for the various categories viz EHT and HT over the period of time. The CSS which was 65% in FY 2018-19 has now been brought to 63% in FY 2021-22. The extracts of the Tariff Order *Para 392. As per mandate of the Electricity Act, 2003 under Section 42 the cross-subsidy surcharge is to be reduced progressively. The Commission is authorized to evolve a methodology for such reduction. Accordingly, the Commission has fixed the leviable surcharge at 63% of the computed value for FY 2021-22.*

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The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

6. **Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

TPWODL Rejoinder: Increase of TOD benefit by another 10/20 paise per unit may not fulfil the purpose of industry. To provide cheaper power TPWODL has suggested no of proposals if approved by Hon'ble Commission will help in reducing industrial tariff.

7. **Respondent's view/objection:** Issues of ferro alloys plant

TPWODL Rejoinder: To accommodate such plants the proposal as discussed in para 1 will be helpful.

8. **Respondents View/ Objection:** Consideration of power on hour on actual basis for load factor in billing

TPWODL Rejoinder: TPWODL is following the direction of Hon'ble Commission while calculating power ON hours as per para no. 507 of RST order FY 2021-22.

For and on behalf of TPWODL

Ushirad Chandra
GM (RA & Strategy)

Burla

Dated:

C.C. M/s. SCAN STEELS LTD (UNIT-I) having its Regd. Office : Office No: 104,105, E-Square, Subash Road, Opp. Havmor Ice Cream, Vile Parle (East), Mumbai-400057 and having works at Vill- Ramabahal, Po- Keshramal, Near Rajgangpur, Dist-Sundargarh-770017, Odisha Email: scansteels@scansteels.com , Mobile: +91-9937007266, +91-9778827517

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT
Ushirad
NOTARY
Regd. No. ON 23/94
SAMBALPUR, ORISSA

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited

Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: M/s. Jai Balaji Jyoti Steels Ltd having its Regd Office at Unitech House, Uditnagar, Rourkela-769012. Email: jaibalaji.jyoti@jaibalajigroup.com , Mobile: +91-9338862111, 8280690180

Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application of TPWODL for the FY2022-23 vide case No. 109 of 2021.

Point wise reply for the objection raised by objector are appended below: -

1. **Respondents View/ Objection:** Respondent gives a Proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

TPWODL Rejoinder: Respondent has given statistics that in FY20-21 total 51 Nos. steel Industries having load of 152.68 MVA has closed their units & total 12 Nos. Steel Industries are planning to close their unit due to higher tariff in Odisha State as compared to tariff in neighbouring state i.e in Chhattisgarh, Jharkhand & planning to shift their industry in neighbouring state.

To retain such industries who are migrating to other states, TPWODL has submitted the proposal of special tariff. To match with neighbouring state, TPWODL offer a proposal who are connected in 33kv level with CD of 1MW and above and have no CGP with the following condition

- on achievement of 75% LF up to 80% LF a discount of 8% on entire Energy charges,
- on achievement of LF >80% to 90% LF, discount of 9% on entire energy charges.
- Those who will achieve LF more than 90% then discount of 10% on entire energy charges can be offered.

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NOTARY
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- Load reduction shall not be allowed during the tariff year
- Industries opting for open access in any month shall not be eligible for this benefit.
- This benefit is in addition to all other rebate the consumer is otherwise eligible
- LF shall be calculated as per existing regulation.

However, the respondent thinks that the proposed LF rebate may not be adequate to make steel industry commercially viable. In line with this, respondent has proposed a change in LF rebate mechanism similar to neighboring state. So, respondents has suggest a proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

To retain the industries in the state Hon'ble Commission may take a suitable decision towards framing a competitive tariff as like of neighbouring states.

2. **Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal. The modifications are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 22-23.	The industry has to start with lower load and should be allowed for contract demand reduction while starting.
The incentive will be for incremental unit consumption in a month over and above average monthly consumption of the immediately preceding financial year (i.e. 2021- 22).	An additional discount of 50 p/unit on entire energy may be provided for the unit who will start their operation in FY 2022-23.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s). But as per the changes suggested by the respondent, the benefits seem to be only consumer centric which will create dissatisfaction among other industries those who are

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running/operating. If the closed industry is permitted to reopens with a lower load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

3. **Respondent's view/objection:** The respondent has submitted that the Distribution Loss to be approved should be at a very low level

TPWODL Rejoinder: It is submitted that for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT& C loss" and the trajectory for the same is fixed till FY 2030-31 in the vesting order for tariff determination process.

Financial Year	AT&C Loss
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Registered by Nanda

Hence it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

4. **Respondent's view/objection:** Projection of EHT, HT & LT sales & approval of Business plan for FY 21-22 & FY 22-23.

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a days open access transaction has been increased to many folds. Availability of Renewable energy is also playing major role. Therefore, projection of HT & EHT sale vis-i-vis actual will always change.

As regards to LT sales, the growth in the domestic category has been estimated at 9.16% during FY 2022-23 as against the estimated growth of around 21.75% during FY 2021-22. The licensee would like to submit that all the households who have electrified under SAUBHAGYA & DDUGJY are all being added to billing fold for which the growth of 21.75% has been considered in current year. The impact of same has been considered while estimating the sales under domestic category for FY 2022-23. The other reason of higher consumption in Domestic sector is on account of replacement of defective meters and electro-mechanical meters in the consumer premises. As a result, actual billing would be improved and the licensee would be able to reduce the T&D loss.

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The concern regarding approval of business plan of TPWODL for FY 21-22 & FY 22-23 is concerned, TPWODL has taken over the business w.e.f. 1st Jan-21 by the time Wesco utility has already filed its ARR for FY 21-22 however as per direction of Hon'ble Commission TPWODL was given an opportunity for filing of ABP which was subsequently approved by Hon'ble Commission in case no.37 of 21. Similarly, as regards to figure of FY 22-23 it is now projected with this application for approval of Hon'ble Commission.

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6. **Respondent's view/objection:** ToD benefit to be increased from 20 paise to 50 paise per unit.

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For and on behalf of TPWODL

Leshmrood Ch Nanda
GM (RA & Strategy)

Burla

Dated:

C.C. M/s. Jai Balaji Jyoti Steels Ltd having its Regd Office at Unitech House, Uditnagar, Rourkela-769012. Email: jaibalaji.jyoti@jaibalajigroup.com , Mobile: +91-9338862111, 8280690180

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT
20/05/2021
NOTARY
Regd. No. ON 23/94
SAMBALPUR, ORISSA

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited
Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: Sri. Prabhakar Dora, aged about 56, S/o. Late K.Bhaskar Rao Dora, 3rd Lane, Vidya Nagar, At/Po: Rayagada.

Subject: Rejoinder to objections received by The Secretary, Odisha Electricity Regulatory Commission against the Retail Supply tariff application by Licensee for the FY2022-23 vide case No. 109 of 2021.

Para wise Rejoinder to objection: -

- Respondent's view/objection:** There is no need for further capital investment for infrastructure growth a slot of Sub-stations/lines were create under different schemes such as RGGVY, BGJY, DDUGJY, IPDS, ODSSP, SOUBHGYA ETC. which can accommodate the present demand, if the realignment of the network is taken up consciously as first step and after physical checking any further capital investment on network may be allowed on real term basis. All such investments can be allowed on project wise with detail analysis along with support of drawings of existing and proposed network additions.

TPWODL Rejoinder: The objector has reflected his concern towards further capital involvement in network addition which is capable enough to accommodate the present demand. But TPWODL in its Capex plan (case no 7 of 21) for FY 21-22 has made a note of it and given its proposal of capital investment accordingly. Hon'ble Commission has also approved it. Similarly, in ARR application for FY 2022-23 the CAPEX plan has been made in the areas of Statutory, safety & security, Loss reduction, Load growth, Network reliability and Technology and infrastructure. System augmentation has also been considered. Reference may be made to para 3 of ARR application (FY 2022-23) of TPWODL for detailed capex plan as per category wise.

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2. **Respondent's view/objection:** The Licensee shall take up the works on priority basis and those are urgent in nature, like installation of breakers in each feeder to minimize faults and to audit meter in all substations for energy auditing.

TPWODL Rejoinder: In the Capex DPR it is already factored. Regarding recurring cost for energy audit, the licensee has also covered under A&G expenses. Reference may be made to para 2.5.1 of the ARR application 2022-23

3. **Respondent's view/objection:** Service connection charge of Rs.1500 per connection is very high

TPWODL Rejoinder: As per provision of OERC (Distribution Conditions of Supply) Code,2019 para 22 Hon'ble commission has specified the required charges for new service connection which is appended below:

Para 22(vi) For simplicity notwithstanding anything provided under Regulation 27, without adopting any remunerative calculation norm, the following shall be the standardised new connection charges excluding processing fee, meter and security deposit in case of LT (single phase) consumers of all categories having CD upto 5 KW with the pole within 30 meter from the consumers premises.

upto 2 KW : Rs.1,500/-

beyond 2 KW upto 5 KW : Rs.2,500/-

Provided that if the line extension is required beyond 30 meters, the licensee/supplier shall charge @ Rs. 5000/- for every span of line extension in addition to the above charges

The licensee is observing the same as mandated.

4. **Respondent's view/objection:** rate of monthly Meter rent is very high as it is permitted to recovered till 60 months

TPWODL Rejoinder: Consumer has always an option to install own meter, in such case meter rent is not recoverable.

Apart from meter cost the expenditure towards associated accessories, installation cost, site visit and periodical meter testing as per OERC supply code 2019 is quite sizeable. So, the present level of recovery of meter rent to the extent of 60 months is justified as fixed by Hon'ble Commission.

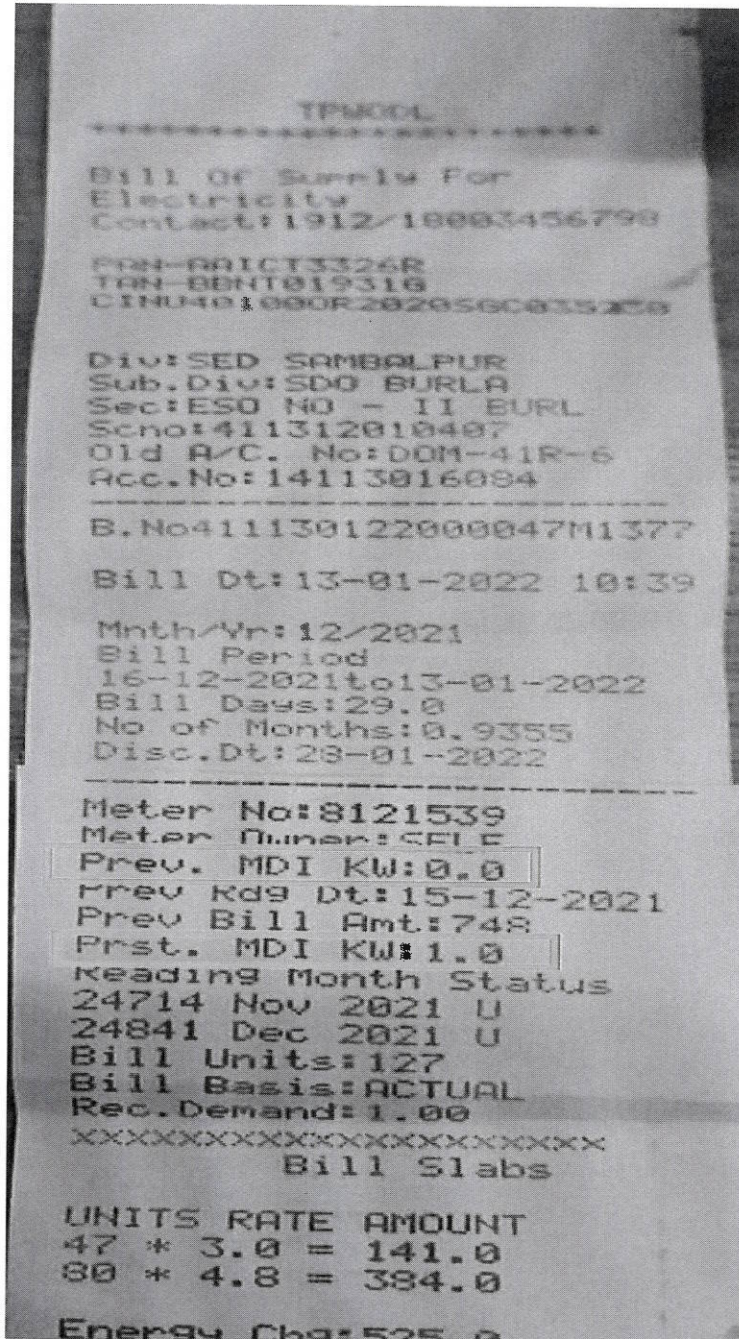
5. **Respondent's view/objection:** Presence of maximum demand in bill

TPWODL Rejoinder: TPWODL is strictly adhering the direction of Hon'ble Commission regarding levy of fixed charges on the recorded maximum demand and the same is being

Rejoinder of Nandor.

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reflected in the bill for consumer's information. A copy of bill is attached herewith for objector's reference.



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6. **Respondent's view/objection:** Insufficient data in electricity bill

TPWODL Rejoinder: As per provision of OERC (Distribution Conditions of Supply) Code, 2019 vide para 147 contents of the energy bill has been prescribed. All the

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information as prescribed has been duly incorporated in the billing software and monthly bill of the consumer is accordingly generated.

7. **Respondent's view/objection:** Consumer benefits under the following heads are not being extended
- (A) Digital rebate
 - (B) OYT scheme remained on paper
 - (C) TOD rebate for off peak hour not being given by licensee
 - (D) Refunding/adjusting excess security deposits over 10% in bills
 - (E) Additional prompt payment rebate not being given

TPWODL Rejoinder: To accommodate all the features logic has already been created in the billing system which is automatically taking care off. There is no such manual intervention is permitted. TPWODL has adopted the FG billing system which was already developed by OPTCL under IPDS scheme of Govt of Odisha.

For and on behalf of TPWODL

Leghired B Nandan
GM (RA & Strategy)

Burla

Dated:

C.C. Sri.Prabhakar Dora, aged about 56, S/o. Late K.Bhaskar Rao Dora, 3rd Lane, Vidya Nagar, At/Po: Rayagada.

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT
22/10/19
NOTARY
Regd. No. ON 23/94
SAMBALPUR, ORISSA

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited
Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: Shri. Soumya Ranjan Patnaik, MLA, Khandapada, Plot No.185, VIP Colony,
Nayapalli, BBSR, Odisha-15

**Subject: Rejoinder to objections received by The Secretary, Odisha Electricity
Regulatory Commission against the Retail Supply tariff application by
Licensee for the FY2022-23 vide case No. 109 of 2021.**

Point wise reply for the objection raised by objector are appended below: -

1. Respondent's view/objection: Expired Tariff Regulations'2014

TPWODL Rejoinder: The validity of a substantive regulation continues unless it is repealed or otherwise amended by appropriate authority. Accordingly, the Tariff Regulations 2014 is continuing as such till modification/amendment by Hon'ble Commission. Further, the 2014 Tariff Regulations provide for a Control Period fixed by the Hon'ble Commission from time to time. While the 1st Control Period has been specified as from 1st April 2014 to 31st March 2019, the Controllable / Uncontrollable Costs as per Regulation 4.6 of Tariff Regulations, 2014 specify the following:

.....

"Provided further that the above specified table will be valid for the First Control Period i.e., 1st April and upto 31st March 2019 or till the same is revised by the Commission"
(Emphasis Supplied).

It may be appreciated that the vesting of erstwhile WESCO Utility to TPWODL has been duly exercised by Hon'ble Commission under provision of Sec. 20 and Sec. 21 of the Electricity Act, 2003. TPWODL as holder of distribution licensee has the responsibility/obligation to file its ARR for the ensuing year as per existing provision of Regulation and Act. Accordingly, the provision of OERC (Terms and conditions for

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determination of Wheeling tariff and retail supply tariff) Regulation 2014 shall applicable to TPWODL till further amendment to it.

2. **Respondent's view/objection:** No truing up of Tariff Orders since last several years
TPWODL Rejoinder: As per terms of regulation truing petition has to be filed by the Distribution licensee prior to ARR filing for the previous year. TPWODL has taken over the distribution business w.e.f 1st Jan-21. The current ARR application is for ensuing year FY 22-23 accordingly, previous year is FY 20-21. TPWODL operation for FY 20-21 was for three months. Accordingly, the True-Up petition for the period ending March'21 has been filed with the Hon'ble Commission which has been registered as Case No 116 of 2021.

As regards to past period true up the same needs to be treated as per terms of vesting order. Vesting order of Wesco utility (case no.82 of 2020) para 50 says

"In case of true up exercise done for any year earlier to the year of Effective Date of takeover, any financial gain or loss arising as a result of the true up exercise shall be retained by WESCO utility/residual company"

So, any surplus or deficit for the past period upto the respective Effective Dates (i.e. Transfer Dates) will be retained by the erstwhile Utilities.

As regards to TPWODL, past period true up exercise has no bearing.

3. **Respondent's view/objection:** Absence of Multi Year Tariff Approach

TPWODL Rejoinder: Upon vesting of Wesco utility with TPWODL, Hon'ble Commission has issued license condition to the new licensee vide order dt.26th march-21. Similarly, new Bulk Supply Agreement (BSA), Agreement with OPTCL for Transmission charges, opening of letter of credit towards power purchase & transmission charges has already in place. Filing of Business plan on the basis of MYT concept required certain mandate /predefined parameters basing upon which the licensee will file their MYT application. Hon'ble Commission is yet to modify the provision of existing regulation. However, Hon'ble Commission has already directed in the vesting order to the extent of AT&C loss projection till FY-30-31 for tariff determination process. For TPWODL the following AT&C loss target for tariff determination has been fixed By Hon'ble Commission.

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%

FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

4. **Respondent's view/objection:** The Proceeding to determine Tariff is imprudent & unrealistic.

(i) True Up Order for previous year to be considered while filing ARR for Tariff determination for Ensuing Year

TPWODL Rejoinder: As explained above TPWODL has already filed True-Up Petition for FY 20-21 (3month period 1.01.21 to 31.03.21) basing on its Audited Accounts. While determining the ARR and Tariff for FY'23, the Hon'ble Commission shall consider all facts and submissions, including the True-Up Petition. The true up petition which was filed with Hon'ble Commission has been registered as Case no 116 of 2021.

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5. **Respondent's view/objection:** Sales Forecast, Normative Loss, Inputs Energy & Power Purchase Cost

TPWODL Rejoinder: TPWODL agrees with the Respondent's views that Sales forecast should be taking into account various factors such as reduction in T&D losses, past years' growth along with exceptional factors like Covid-19 impacted period, etc. The applicant in Para 2.2 of the ARR application has given the sales forecast of HT, EHT & LT consumers based on last years & Half year actual figures. It is pertinent to mentioned here that during last year impact of Covid-19 was much higher, situation has improved after Sep-21 towards increase in industrial consumption. Hence the quantum as projected by the licensee is achievable. While projecting the sales figure towards HT & EHT, consumer wise analysis has been made. Even the industries having CGP their drawl pattern from licensee, behavior of open access drawal etc has also been considered.

6. **Respondent's view/objection:** Operation & Maintenance (O&M) & Other Cost of ARR

TPWODL Rejoinder: It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility since last ten years. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022.

As regards to FY 22-23 is concerned with the above approved base of FY 21-22 TPWODL has proposed a recruitment plan of 700 employees for the ensuing year. So, the proposed employee cost of Rs. 629.06 Cr. for FY 2022-23 is justified and may please be approved.

That, as regards to Repair & Maintenance (R&M) expenses for the ensuing year FY 2022-23 has been estimated on the basis of 5.4% of Opening Gross Fixed Assets (GFA). The opening GFA works out to be Rs 1963.50 crores, based on which the proposed R&M expenses is to the tune of Rs 106.03 crores. The licensee also entitled for R&M expenses on assets created through Govt grant.

As regards to Grant Assets the scheme wise value is appended below:-

Sl No	Name of Scheme	Amount in Cr
1	ODSSP	930.23
2	DDUGJY New	257.00
3	IPDS	211.40
4	DDUGJY 12TH PLAN (PGCIL)	496.70
5	DDUGJY 12TH PLAN (NTPC)	870.48
Total of A		2765.81

Sr. No	Scheme	Amount in Cr	Executed through
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1	BGJY	107.69	District Collector
2	BGJY DTR	3.30	DISCOM
3	BSVY	21.92	District Collector
4	CAPEX	105.14	DISCOM
5	DESI/IAP	53.29	DISCOM
6	ELEPHANT CORRIDOR	20.54	DISCOM
7	KBK	1.91	DISCOM
8	MP-MLA	2.12	DISCOM
9	PHAILIN	0.45	DISCOM
10	RLTAP	76.75	District Collector
11	SAMLESWARI TEMPLE	4.88	DISCOM
12	SCHOOL & ANGANWADI	9.12	DISCOM
13	WODC	5.70	DISCOM
14	DMF	15.90	DISCOM
TOTAL of B		428.69	
Total of A+B		3194.50	

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Considering the above value of Grant assets amounting to Rs. 3194.50 Crs. The entitlement of R&M @ 5.4% for FY 22-23 on the above amount comes to Rs. 172.50 Cr.

Therefore, the total proposed R&M expenses for FY22-23 is 278.53 Cr [172.50 Cr + 106.03]. The R&M cost has increased compared to last year due to deployment of 11KV & 33 KV AMC for maintaining asset condition & attending breakdown round the clock. In 11 KV & 33 KV AMC cost is given below.

That, upon taken over of business, TPWODL has engaged agency circle wise through transparent bidding process for meter reading, billing and collection activity which is the major expenditure under A&G head. Apart from above certain revenue improvement A&G expenses like engagement of arrear collection agents and their commission, expenses of Customer Care, vigilance/enforcement activity etc has also been taken up and related cost

thereof included under A&G head. O&M Expenses towards improvement of reliability, advanced operational technology like SCADA, GIS, IT automation etc. safety related expenses are also forming part of A&G.

Hon'ble Commission's in their earlier orders, has considered only 7% increase over the allowable A&G expenses of the previous year. The 7% increase is taken on account of inflation on the normal A&G expenses. But, with the current scenario, cost of inflation is very high, hence the A&G expenses for FY 22-23 is projected at Rs. 151.76 Cr by considering past trend, inflation scenario and additional requirement of Rs. 13.35 Cr. The approved A&G for FY 21-23 of TPWODL is Rs.103.17 crs (Approved in ARR Rs.63.66 crs + approved through ABP Rs.39.51 crs)

In ARR application FY22-23, TPWODL has not proposed any tariff hike & the company will meet the short fall through additional sale & proposed tariff rational measures along with efficiency gain.

7. Respondent's view/objection: Non-tariff Income details

TPWODL Rejoinder: Rreceipts of other income till Nov-21 of FY 21-22 under different head like Meter Rent, Reconnection Charges, Service Connection charges, supervision charges, DPS to the extent of collection, interest on FD etc is Rs.98.34 crs

For and on behalf of TPWODL

Abhiroel Ch Nanda

GM (RA & Strategy)

Burla

Dated:

C.C. Shri. Soumya Ranjan Patnaik, MLA, Khandapada, Plot No.185, VIP Colony, Nayapalli, BBSR, Odisha-15

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

PART OF AFFIDAVIT
22/10/21
NOTARY
Regd. No. ON 23/94
SAMBALPUR-ORISSA

**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited
Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: Er. (Dr.) P.K. Pradhan, Duplex 244, Manorama Estate, Rasulgarh,
Bhubaneswar — 751010

Rejoinder to objections submitted before Hon'ble Commission against ARR & Retail Supply tariff application of the Licensee for the FY2022-23 which has been registered as case No. 109 of 2021.

Point wise reply to the objection raised by objector are appended below: -

1. Learned objector has supported to most of the proposals submitted by TPWODL as well as for all the efforts made with additional suggestion towards the ARR application of TPWODL for FY 2022-23.

The following proposal submitted by TPWODL in its ARR for FY 2022-23 has been well supported/appreciated:

- a) Special tariff to steel industry
- b) Special tariff for industries those who have closed their units if reopen/starts
- c) Special tariff for Existing industries having CGP if assured 80% LF of existing CD
- d) Special tariff for existing industries who have no CGP for drawl of additional power beyond CD of 10 MVA
- e) Special Tariff for upcoming new industries with guaranteed period of business continuity
- f) Special tariff for Industries for temporary business requirement
- g) Introduction of Amnesty arrear clearance scheme for LT non-industrial category of consumer.

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2. **Respondent's view/objection:** 50% increment in employee cost for FY 2022-23 than the approved employee cost of FY 2021-22

TPWODL Rejoinder: It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Wesco/Wesco Utility since last ten years. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 45 of the vesting order TPWODL is permitted to deploy 4209 nos of staff under different category. Considering the existing WESCO employees strength Hon'ble commission has already approved 508 (336 + 172) nos of recruitment for FY 21-22 in case no. 37/2021 & letter dated 17.01.2022.

As regards to FY 22-23 is concerned with the above approved base of FY 21-22 TPWODL has proposed a recruitment plan of 700 employees for the ensuing year. So, the proposed employee cost of Rs. 629.06 Cr. for FY 2022-23 is justified and may please be approved.

3. **Respondent's view/objection:** Outsourcing employees for different verticals like metering, billing, collection, 11kV lines & S/S, 33 kV grid, lines and substation maintenance will increase the overhead cost and reduce the efficiency.

TPWODL Rejoinder: Outsourcing employees are continuing since long & not introduced by TPWODL. During WESCO tenure, line, grid and S/S maintenance was carried out through short term outsourcing of manpower only on breakdown occurrence. TPWODL has outsourced the overall maintenance job (preventive maintenance, breakdown maintenance, attending no current complaints) of both 33kV & 11 Kv network assets to ensure 24 X 7 uninterrupted quality power to all its consumers.

4. **Respondent's view/objection:** Requested Whether the total no. of newly recruited persons along with deputed personals are within the approval of the Board/Commission. TPWODL to please inform the objector so that it can be deliberated at the time of public hearing.

TPWODL Rejoinder: The total no of recruitment including deputed personals is well within the approval of the Board /Hon'ble Commission.

5. **Respondent's view/objection:** TPWODL speaks a lot on safety in the deliberation in different meetings before the commission. TPWODL may kindly inform whether the maintenance staff and the staff of the Control Room engaged for 33KV grid, 33KV & 11KV

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line and Sub-Station are having the necessary qualification eligibility as required by the electricity Rules.

TPWODL Rejoinder: TPWODL awarded work to various business associates (BA) duly verifying the criteria like electrical license, qualification and expertise of the people who are going to be engaged etc.

TPWODL always conducts safety induction before joining of concerned staffs. Capacity building program, training on cutting edge technologies are often taken by TPWODL authorities. The details of safety measurements already taken by TPWODL is mentioned in page no 83 of the ARR application for FY 2022-23 for reference and perusal.

6. **Respondent's view/objection:** In the approved ARR for the FY-2021-22 while determining the average cost of supply (per unit), in table 37 para 386, it has been worked out to be 548.40 paisa per unit considering total cost as 12037.56 Crores whereas in Annexure —A i.e. Revenue Requirement of DISCOMS for FY-2021-22 the total revenue requirement is 11532.34 Crores for saleable units of 21950.22Mu. While deriving the average cost of supply in table 37 the miscellaneous received of Rs. 505.23 Crores have not been considered for which the average cost of supply has become 548.40 paisa instead of 528.91 paisa. This calculation has changed the entire scenario of the Tariff Fixation while considering para 8.3.2 of Tariff policy of the commission and para 5.5.2 of National Electricity Policy. *Nanda*

TPWODL Rejoinder: The learned objector might have missed to peruse the mechanism of determination of retail supply tariff. The ARR of all the DISCOMs has been approved in Annexure-A, where in non-tariff income (i.e miscellaneous receipt) has been duly deducted from total distribution cost. This is as per norms of OERC (Terms and Conditions of determination of Wheeling Tariff & Retail Supply Tariff) Regulation, 2014. Ultimately, the RST as determined is after considering the non-tariff income. There is no such apparent error in the RST order of Hon'ble Commission. *Ushirwad*

Further, Hon'ble Commission has explained in detail the component of **Cross Subsidy in tariff** vide para 386 of the order. This has been correctly calculated as per the provision of regulation 7.77 of OERC (Terms and Conditions of determination of Wheeling Tariff & Retail Supply Tariff) Regulations, 2014 which is in conformity with para 8.3.2 of Tariff policy and para 5.5.2 of National Electricity policy. The intention of calculation of cost of supply has been well explained in the regulation 7.77. As per the guiding principle of Tariff Policy, level of cross subsidy among the different category (voltage wise) of consumers

should remain within (+/-) 20%. While deriving so, table 38 of the RST order has been placed and table 37 is providing the Avg cost of Supply. A replica of table 38 is appended below.

Year	Level of Voltage	Average cost of supply for the State as a whole (P/U)	Average Tariff P/U	Cross Subsidy P/U	Percentage of Cross-subsidy above/ below of cost of supply
2021-22	EHT	548.40	626.50	78.10	14.24%
	HT		623.90	75.50	13.77%
	LT		466.07	-82.33	-15.01%

So, avg cost of supply is the total cost required by the distribution licensee to deliver it's power at customer's premises not the cost after factoring other income. However, while determination of tariff, non-tariff income needs to be deducted. Accordingly, Hon'ble Commission correctly deducted the other income from total distribution cost (as per Annexure-A of RST order).

Assuming the above is not correct to calculate the cost of supply, factoring non-tariff income cost of supply has been prepared and appended below which also reveals that the cross subsidy among the category (voltage wise) of consumers is well within (+/-) 20%

Year	Level of Voltage	Average cost of supply for the State as a whole (P/U)	Average Tariff P/U	Cross Subsidy P/U	Percentage of Cross-subsidy above/ below of cost of supply
2021-22	EHT	525.39	626.50	101.11	19.24%
	HT		623.90	98.51	18.75%
	LT		466.07	-59.32	-11.29%

Therefore, the mere apprehension of incorrect tariff determination process is not correct.

7. **Respondent's view/objection:** Information related to arrear collection till 31st December'2021

TPWODL Rejoinder: TPWODL has recovered past arrear of Rs. 104 Cr in FY20-21 & till dec-21 recovered Rs.51Cr other than ED charges.

8. **Respondent's view/objection:** TPWODL, may please inform about the metering status of different category consumers and whether the fixed charges from the different

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consumers' having digital meter and facility of recording of maximum demand is being collected as approved by the Commission or there is a deviation

TPWODL Rejoinder: TPWODL has prepared a detail plan for replacement of all defective meter by March'2022 and till November'21 around 1 lakh meter has already been replaced.

TPWODL is strictly adhering the direction of Hon'ble Commission regarding levy of fixed charges on the recorded maximum demand and the same is being reflected in the bill for consumer's information. A copy of bill is attached herewith for objector's reference.

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TPWODL

Bill Of Supply For
Electricity
Contact: 1912/18003456799

PRN-ARICT3326R
TAN-BENTB1931B
CINM01000R2020560835250

Div: SED SAMBALPUR
Sub.Div: SDO BURLA
Sec: ESO NO - II BURL
Scno: 411312010497
Old A/C. No: DOM-41R-6
Acc. No: 14113016084

B.No 411130122000047M1377

Bill Dt: 13-01-2022 10:39

Mnth/Yr: 12/2021
Bill Period
16-12-2021 to 13-01-2022
Bill Days: 29.0
No of Months: 0.9355
Disc. Dt: 28-01-2022

Meter No: 8121539
Meter Owner: SFI E
Prev. MDI KW: 0.0
Prev Kdg Dt: 15-12-2021
Prev Bill Amt: 748
Prst. MDI KW: 1.0
Reading Month Status
24714 Nov 2021 U
24841 Dec 2021 U
Bill Units: 127
Bill Basis: ACTUAL
Rec. Demand: 1.00
XXXXXXXXXXXXXXXXXXXXXXXXX
Bill Slabs

UNITS	RATE	AMOUNT
47	* 3.0	= 141.0
80	* 4.8	= 384.0


Energy Chg: 525.0

Returned in Number

9. Respondent's view/objection: Collection of meter rent for 5 years

TPWODL Rejoinder: Consumer has always an option to install own meter, in such case meter rent is not recoverable.

Apart from meter cost the expenditure towards associated accessories, installation cost, site visit and periodical meter testing as per OERC supply code 2019 is quite sizeable. So,

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the present level of recovery of meter rent to the extent of 60 months is justified as fixed by Hon'ble Commission.

10. Respondent's view/objection: As per the regulation 157 of the OERC distribution code of supply 2019, the disputed bill can be revised up to the maximum period 2 years in any of the forum prior to the month in which disputed period of bill ends.

TPWODL may please inform to the Commission that in case the disputed bill is for a period of more than 2 years and the reason for the disputed is attributed by TPWODL or by erstwhile WESCO in that case who will be responsible for the period when dispute is for more than 2 years. Who will bear the DISCOM or the consumer?

TPWODL Rejoinder: At present, TPWODL is adhering the existing direction of Hon'ble Commission regarding revision of disputed bill.

The concerned matter requires an amendment in the existing regulation. Very recently common petition has been filed for introducing One Time Settlement (OTS) scheme, simultaneously TPWODL has prayed for introduction of amnesty arrear clearance scheme in its ARR application for FY 2022-23 also. So, on approval of the petition/application concern of more than two years period will be automatically addressed.

For and on behalf of TPWODL

Upendra K. Nanda
GM (RA & Strategy)

Burla

Dated:

C.C. Er. (Dr.) P.K. Pradhan, Duplex 244, Manorama Estate, Rasulgarh, Bhubaneswar — 751010

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>

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6/2/2021
NOTARY
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**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023**

Case No.109 of 2021

IN THE MATTER OF: TP Western Odisha Distribution Limited
Corporate Office Burla, Sambalpur, Odisha-768017

AND

IN THE MATTER OF: M/S Grinity power Tech Pvt Ltd, K-8-82, Kalinga Nagar, Ghatikia,,
Bhubaneswar — 751029

**Subject: Rejoinder to objections received by The Secretary, Odisha Electricity
Regulatory Commission against the Retail Supply tariff application of
TPWODL for the FY2022-23 vide case No. 109 of 2021.**

Point wise reply to the objection raised by the objector are appended below: -

- Respondent's view/objection:** Respondent gives a Proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

TPWODL Rejoinder: Respondent has given statistics that in FY20-21 total 51 Nos. steel Industries having load of 152.68 MVA has closed their units & total 12 Nos. Steel Industries are planning to close their unit due to higher tariff in Odisha State as compared to tariff in neighbouring state i.e in Chhattisgarh, Jharkhand & planning to shift their industry in neighbouring state.

To retain such industries who are migrating to other states, TPWODL has submitted the proposal of special tariff. To match with neighbouring state, TPWODL offer a proposal who are connected in 33kv level with CD of 1MW and above and have no CGP with the following condition

- on achievement of 75% LF up to 80% LF a discount of 8% on entire Energy charges,
- on achievement of LF >80% to 90% LF, discount of 9% on entire energy charges.
- Those who will achieve LF more than 90% then discount of 10% on entire energy charges can be offered.
- Load reduction shall not be allowed during the tariff year
- Industries opting for open access in any month shall not be eligible for this benefit.

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- This benefit is in addition to all other rebate the consumer is otherwise eligible
- LF shall be calculated as per existing regulation.

However, the respondent thinks that the proposed LF rebate may not be adequate to make steel industry commercially viable. In line with this, respondent has proposed a change in LF rebate mechanism similar to neighboring state. So, respondents has suggest a proposal for Load factor rebate over and above load factor of 60% & Maximum ceiling rebate upto 15% on the total energy charges. Illustration: - If a consumer's load factor for a given billing month is 75% then the % rebate allowed to such consumer shall be (75%-60%) i.e 15%.

Hon'ble Commission may take a suitable decision.

2. **Respondent's view/objection:** Respondent has welcomed the proposal of Special tariff for industries those who have closed their units if reopen/starts submitted by TPWODL in its ARR FY 2022-23 with few modifications in the proposal. The modifications are as follows:

Proposal submitted by TPWODL	Modification suggested by the respondent
The industry has to start with the load when it was closed. No load reduction is permissible before or after availing this benefit during FY 22-23.	The industry has to start with lower load and should be allowed for contract demand reduction while starting.
The incentive will be for incremental unit consumption in a month over and above average monthly consumption of the immediately preceding financial year (i.e. 2021- 22).	An additional discount of 50 p/unit on entire energy may be provided for the unit who will start their operation in FY 2022-23.
Industries opting this benefit shall not be eligible for open access.	Industries opting this benefit shall also be eligible for open access as provided in Electricity Act 2003 and Open Access Regulations.

TPWODL has submitted this proposal for the benefit of both the industries as well as the DISCOM(s). But as per the changes suggested by the respondent, the benefits seem to be only consumer centric which will create dissatisfaction among other industries those who are running/operating. If the closed industry is permitted to reopens with a lower load to avail this benefit, then moto/purpose to improve/promote industrial growth will be jeopardised.

The licensee is offering cheaper power to maximise utilisation of state's power, so if open access would be permitted after availing this benefit the entire purpose of the scheme would be futile.

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K. S. Panda

3. **Respondent's view/objection:** The respondent has submitted that the Distribution Loss to be approved should be at a very low level

TPWODL Rejoinder: It is submitted that for determination of the ARR and consequent tariff, the Hon'ble Commission has already applying a "normative AT& C loss" and the trajectory for the same is fixed till FY 2030-31 in the vesting order for tariff determination process.

Financial Year	AT&C Loss
FY 2022	20.40%
FY 2023	20.40%
FY 2024	18.90%
FY 2025	17.40%
FY 2026	15.90%
FY 2027	14.50%
FY 2028	13.00%
FY 2029	11.50%
FY 2030	10.00%
FY 2031	9.50%

Witnessed by Nanda.

Hence it is submitted that the tariff of the consumers is not impacted by the actual distribution Loss of the licensee.

4. **Respondent's view/objection:** Projection of EHT, HT & LT sales & approval of Business plan for FY 21-22 & FY 22-23.

TPWODL Rejoinder: The licensee has already submitted its sales projection in details vide para 2.2 of ARR filing. However, for clarification in brief it is to appraise that considering the past trend & actual of FY 2020-21 along with 1st six month of current year sales projection has been made. HT & EHT sales projection are always depends upon the nature of drawal of the industries, market position, economic scenario, Government policies, IEX price under open access, etc. In addition to above most of the EHT industries are having their own CGP. The licensee cannot predict correctly the quantum of consumption for such industries. Now a days open access transaction has been increased to many folds. Availability of Renewable energy is also playing major role. Therefore, projection of HT & EHT sale vis-i-vis actual will always change.

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As regards to LT sales, the growth in the domestic category has been estimated at 9.16% during FY 2022-23 as against the estimated growth of around 21.75% during FY 2021-22. The licensee would like to submit that all the households who have electrified under SAUBHAGYA & DDUGJY are all being added to billing fold for which the growth of 21.75% has been considered in current year. The impact of same has been considered while estimating the sales under domestic category for FY 2022-23. The other reason of higher consumption in Domestic sector is on account of replacement of defective meters and electro-mechanical meters in the consumer premises. As a result, actual billing would be improved and the licensee would be able to reduce the T&D loss.

The growth in the sales of other categories in the LT sector has been estimated in the range of 5% during 2022-23 considering the past trends except Irrigation & Pumping, Allied Agriculture and Allied Agro industrial category of consumers where growth of 7.04%, 7.69 & 9.09% respectively has been taken up. The irrigation growth is due to addition of loads as well as metering. The growth under the above categories in current year is around 30% & above due to addition of consumers under Govt's Mega lift scheme and promotion of agricultural sector.

The concern regarding approval of business plan of TPWODL for FY 21-22 & FY 22-23 is concerned, TPWODL has taken over the business w.e.f. 1st Jan-21 by the time Wesco utility has already filed its ARR for FY 21-22 however as per direction of Hon'ble Commission TPWODL was given an opportunity for filing of ABP which was subsequently approved by Hon'ble Commission in case no.37 of 21. Similarly, as regards to figure of FY 22-23 it is now projected with this application for approval of Hon'ble Commission.

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5. Respondent's view/objection: Withdraw of reliability surcharge

TPWODL Rejoinder: Reliability surcharge has already been abolished for all category w.e.f April'2021 as per RST order FY 21-22

6. Respondent's view/objection: Take or Pay Tariff

TPWODL Rejoinder: Presently Hon'ble Commission has approved load factor discount, considering the submission of steel industries during FY 21-22 tariff proceedings.

In case of HT industries (1MW and above) For Consumption beyond 70% LF, 10 paise per unit & consumption beyond 80% LF, 20 paise unit.

In case of EHT industries, For consumption more than 80% LF, 10 paise per unit.

Therefore, suggestion of objector has already been addressed. Apart from this TPWODL has suggested no of alternative mechanism for all category of consumers.

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7. Respondent's view/objection: Cross subsidy and its surcharge

TPWODL Rejoinder: The Hon'ble Commission has been reducing the applicable CSS for the various categories viz EHT and HT over the period of time. The CSS which was 65% in FY 2018-19 has now been brought to 63% in FY 2021-22. The extracts of the Tariff Order Para 392. *As per mandate of the Electricity Act, 2003 under Section 42 the cross-subsidy surcharge is to be reduced progressively. The Commission is authorized to evolve a methodology for such reduction. Accordingly, the Commission has fixed the leviable surcharge at 63% of the computed value for FY 2021-22.*

The Hon'ble Commission may suitably decide the Cross-Subsidy Surcharge keeping in mind the National Tariff Policy and the trajectory to be followed for reduction of CSS over the period of time.

8. Respondent's view/objection: Power Factor Incentive

TPWODL Rejoinder: Upon introduction of KVAH billing requirement of PF incentive has been duly addressed and became part of tariff.

9. Respondent's view/objection: ToD benefit to be increased from 20 paise to 50 paise per unit.

TPWODL Rejoinder: Increase of TOD benefit by another 10/20 paise per unit may not fulfil the purpose of industry. To provide cheaper power TPWODL has suggested no of proposals if approved by Hon'ble Commission will help in reducing industrial tariff.

10. Issues of ferro alloys plant

TPWODL Rejoinder: To accommodate such plants the proposal as discussed in para 1 will be helpful.

11. Respondent's view/objection: DSM Plan implementation

TPWODL Rejoinder: TPWODL has executed an agreement with EESL for demand side management through wide adoption of energy efficient equipment's.

For and on behalf of TPWODL

Kishore Ch Nanda

GM (RA & Strategy)

Burla

Dated:

C.C. M/S Grinity power Tech Pvt Ltd, K-8-82, Kalinga Nagar, Ghatikia,, Bhubaneswar — 751029

Note- This is also available at the licensee's website-<https://www.tpwesternodisha.com>