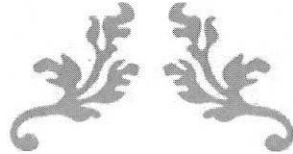
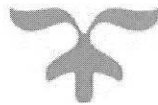


TPWODL
TP WESTERN ODISHA DISTRIBUTION LIMITED
(A Tata Power and Odisha Government Joint Venture)



**REJOINDER TO OBJECTION
RECEIVED AGAINST OPEN ACCESS
CHARGES APPLICATION FOR THE
YEAR 2022-23**

(OERC CASE NO. 113 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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BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION BHUBANESWAR
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, CHANDRASEKHARPUR,
BHUBANESWAR-751023

Case No 113 of 2021

IN THE MATTER OF : An Application for approval of Open Access Charges for the financial year 2022-23, in accordance with the para 22, 23, 24 & 25 of chapter 5 of OERC (Terms and Conditions of Intra state Open Access) Regulation, 2020, Wheeling Charges, Cross Subsidy Surcharge, Additional Surcharge & Stand by charges applicable to open access customers for use of intra-state transmission/ distribution system, in view of section 42 of the Electricity Act-2003.

AND

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

Affidavit verifying the Rejoinder to the objection on the open access Application for the FY 2022-

23.
19.5.21
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: -

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.

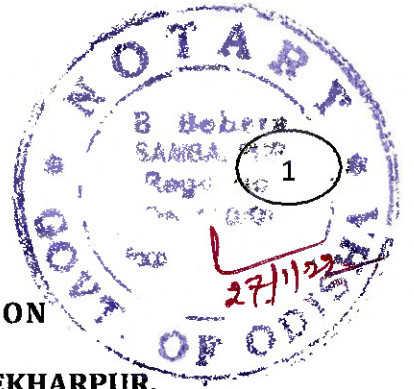
Place:-
Date:-

Kshirod ch nanda.

DEPONENT
GM (RA & Strategy)

The deponent being identified by Sri.....*B. Behera*..... Advocate solemnly affirmed before me today at...*8.05*.....*A.M./P.M.*

29/1/22
NOTARY, Regd. No. ON 110/09
SAMBALPUR, ODISHA



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

Case No.113 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

**Subject: Rejoinder to objections received by The Secretary, Odisha Electricity
Regulatory Commission against the 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: -

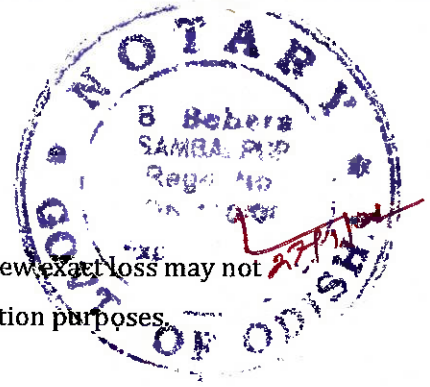
1. **Respondent's view/objection:** Reduction of Cross Subsidy Surcharge
TPWODL Rejoinder: Hon'ble Commission while approving the Cross-Subsidy Surcharge payable, allowing certain percentage of computed value. On the computed value recovery is allowed to the extent of 63% in last year. In FY 2020-21 it was 65%. Therefore, recovery of cross subsidy is in reducing trend.

2. **Respondent's view/objection:** The Respondent has suggested that the Wheeling Loss for HT should be 4%, instead of 8% at present.

TPWODL Rejoinder: In our petition No 113 of 2021, we have presented the computation of Wheeling Charges, Cross Subsidy Charges and Additional Surcharge. As regards the applicability of Wheeling Loss of 8%, we shall abide by the loss that is stipulated in the Tariff Order.

In this regard it is essential to mention that HT Open Access includes consumers connected at 33 KV and at 11 KV. TPWODL HT network is spread out in 48000 Sq. Km area having average HT feeder approximate length is 80-100KM. In the energy audit report as conducted for few feeders in some cases it may be less than 8% but in other

Witnessed by Nanda



cases it may be more. Unless entire feeders are put into audit purview, exact loss may not be established. Therefore, the HT loss 8% needs to keep for calculation purposes.

3. **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:** 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.

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

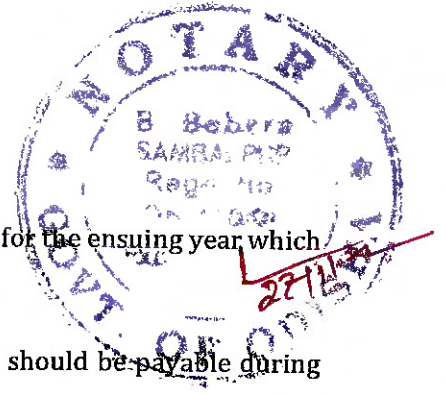
TPWODL Rejoinder: In our humble submission, the applicability of wheeling charges arises primarily for Open Access Transaction. At present, the OA is permitted for customers greater than 1 MW which is relevant only when the customer is provided supply on HT. Hence there is no need for working out the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

Kshirod Ch Nanda.



apportioned. In the similar manner the licensee has proposed for the ensuing year which may please be approved.

6. **Respondent's view/objection:** No Cross-Subsidy Surcharge should be payable during major break down or statutory power cut

TPWODL Rejoinder: Cross Subsidy Surcharge is payable on the quantum of units consumed, so, by default during any major break down or statutory power cut no energy is consumed hence cross-subsidy surcharge as such not applicable.

7. **Respondent's view/objection:** "All open access customers shall institute an appropriate security mechanism in the agreement to cover charges for a maximum period of 1 month"-must be adhered by SLDC, GRIDCO and DISCOM(s).

TPWODL Rejoinder: As regards to LTOA transactions the licensee is observing the provision However, as regards to STOA customers where SLDC is the nodal agency and raises the demand to customer on monthly basis may be observing at their end.

8. **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 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.

For and on behalf of TPWODL

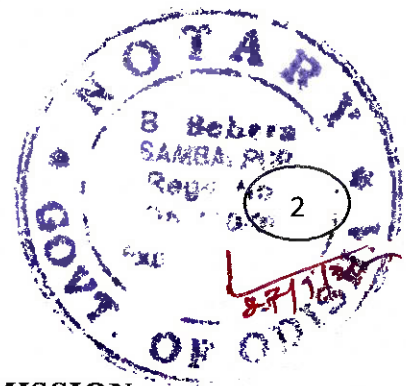
Kishore Ojha
GM (RA & Strategy)

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>



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

Case No.113 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 Determination of Open Access charges
application vide case No.113 of 2021 of TPWODL for the FY2022-23.**

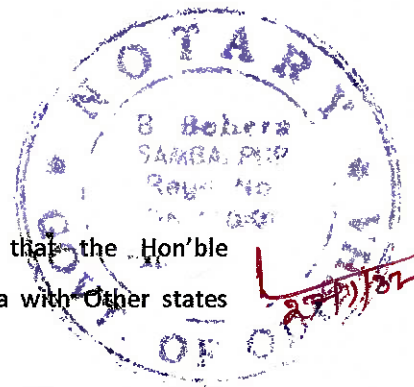
Point wise reply to the objection raised by the objector are appended below: -

9. **Respondent's view/objection:** The Respondent has suggested that the Wheeling Loss for HT should be 4%, instead of 8% at present.

TPWODL Rejoinder: In our open access application in case No 113 of 2021, we have made the computation of Wheeling Charges, Cross Subsidy Charges and Additional Surcharge. As regards to applicability of Wheeling Loss of 8%, the licensee is abide by the loss that is stipulated in the Tariff Order.

In this regard it is essential to mention that HT Open Access includes consumers connected at 33 KV and at 11 KV. TPWODL HT network is spread across 48000 Sq. Km area having average HT feeder approximate length around 40 to 50 KM in case of 33kv and incase of 11kv it is 80-100KM. On energy audit he actual loss in in some cases it is less than 8% but in other cases it is more also. Unless entire feeders are put into audit purview exact loss may not be established. Therefore, the HT normative loss 8% may be permitted.

Kshirod OJ



10. **Respondent's view/objection:** The Respondent has suggested that the Hon'ble Commission should compare the CSS and Wheeling Charges of Odisha with Other states before finalization

TPWODL Rejoinder: In this regard, it is submitted that the Wheeling Charges and CSS would vary from state to state and would depend on host of factors such as the Wheeling ARR, Power Purchase costs, the Distribution loss, Cross Subsidy that is prevailing in the state and the Energy that is wheeled in the network.

We wish to further submit that for CSS determination, almost all the states have worked out the same formula provided in the National Tariff Policy. The difference in the charges if any arises to due to the difference in values or amounts that have been considered in the formula. Similarly, the Wheeling Charges are also worked out on the basis of the applicable distribution cost in the HT network and the energy wheeled. The difference in the Wheeling Charges too would be on account of the amounts considered in the computations.

We are therefore of the view that the Hon'ble Commission may work out such charges after considering the values of the parameters applicable to the Discom and the state.

For and on behalf of TPWODL

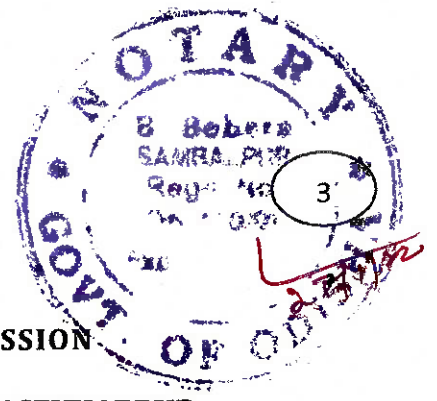
Kshirod M Nanda
GM (RA & Strategy)

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>



**BEFORE THE HON'BLE
ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
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: -

- 1. 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

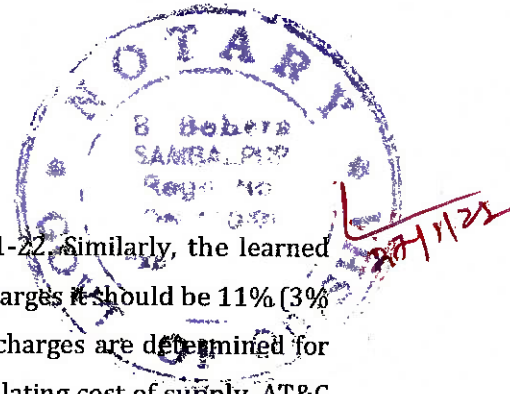
TPWODL Rejoinder: As per the provision of existing Regulation and principles followed by the Hon'ble Commission for determination of CSS and wheeling charges for FY 21-22 in RST order vide para 388 to 392.

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.

- 2. 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

Revised Ch. Nanda



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.

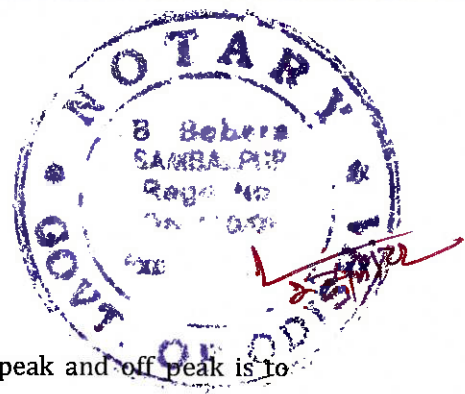
Further, it is also relevant to mention here that the Hon'ble Commission in RST Order of FY 2021-22 has clarified to the extent of determination of wheeling charges under HT category without differentiation of 11kv supply & 33 kv supply. The extracts of the order is as under

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.

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.

Handwritten note: Kshirod CD Samalpur

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.



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

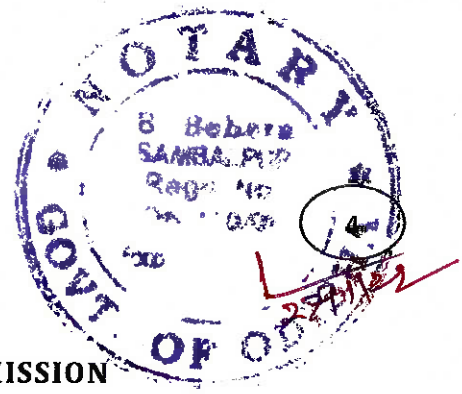
Keshav Chandra Nanda
GM (RA & Strategy)

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>



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

Case No.113 of 2021

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

AND

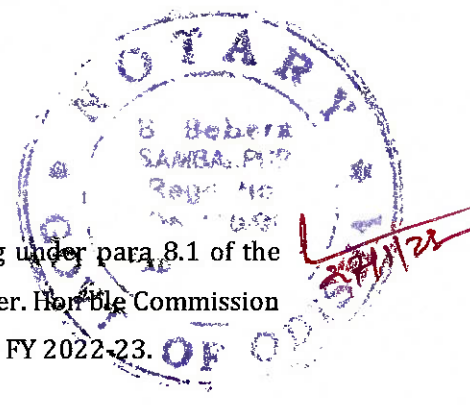
IN THE MATTER OF: M/S Vedanta Ltd, 1st Floor, C2, Fortune Tower, C's Pur, Nandan Kanan
Road, Bhubaneswar, Odisha-751023

Subject: Rejoinder to objections received by The Secretary, Odisha Electricity
Regulatory Commission against the 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: -

1. **Respondent's view/objection:** Cross Subsidy Surcharge & reduction thereof:
TPWODL Rejoinder: Hon'ble Commission while approving the cross-subsidy surcharge payable every year allowing certain percentage of computed value. Now from computed value recovery is allowed only 63%. Last year it was 65%. Therefore, recovery of cross subsidy is in reducing trend.
2. **Respondent's view/objection:** Odisha's CSS is higher as a result Open Access not affordable:
TPWODL Rejoinder: It may be noted that the quantum of open access drawl by Industries under TPWODL area in FY21-22 till Dec-21 is 2600.517 Mus (includes Non RE, RE & CGP power). It indicates that Industries are interested to purchase under open access having higher CSS in Odisha (as claimed by Respondent) which seems not true.
Respondent's view/objection: The respondent has proposed that the concessional charges be retained for Renewable Energy

Aghireed Ch Nanda



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

3. **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.

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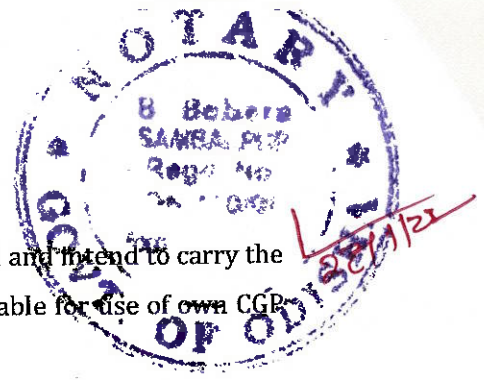
Agreed by Nanda

5. **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 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.

6. **Respondent's view/objection:** Non applicability of a Wheeling charges for Wheeling of Power by industries having CGP.

TPWODL Rejoinder: In this regard it is to mentioned that as per Section 9 & 10 of Electricity Act 2003 an industry can carry its own power to destination for its own use under open access mechanism. As regards to non-levy of wheeling charges is concerned it is permissible if the CGP is operating in isolated manner i.e, without having GRID connectivity. Once it is grid connected failure in generation unit if any does not prevent the flow of GRID power to the destination where it is used.



Hence wheeling charges is applicable if the CGP is grid connected and intend to carry the power to its destination for own use. However, CSS is not applicable for use of own CGP power.

7. Respondent's view/objection: Additional Surcharge/Recovery of stranded cost:

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 its 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

For and on behalf of TPWODL

Kshirod Ch Nanda
GM (RA & Strategy)

Burla

Dated:

C.C. : M/S Vedanta Ltd, 1st Floor, C2, Fortune Tower, C's Pur, Nandan Kanan Road, Bhubaneswar, Odisha-751023

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