

Before the Odisha Electricity Regulatory Commission  
Pot No-4, Chunokoli, Shailashree Vihar, Bhubaneswar-751021

Case No: \_\_\_\_\_ of 2023

**IN THE MATTER OF:** Determination of Open Access Charges for FY 2024-25 for consumers availing Open Access under Section 42 of the Electricity Act 2003

**And**

**IN THE MATTER OF:** TP Central Odisha Distribution Ltd.), Corporate Office, Power House ,Unit-8, , Bhubaneswar- 751 012 represented by its Chief – Regulatory & Government Affairs.

*...Petitioner*

**And**

**IN THE MATTER OF:** GRIDCO, OPTCL, SLDC, DoE-GoO and all other Concerned Stakeholders

*...Respondents*

**Affidavit**

I, Vidyadhar Wagle , aged about 56 son of late Hari Prabhakar Wagle residing at Bhubaneswar do hereby solemnly affirm and say as follows:

1. I am the Chief-Regulatory & Government Affairs of TP Central Odisha Distribution Ltd., the Petitioner in the above matter and I am duly authorized to swear this affidavit on its behalf.
2. The statements made in the submission herein shown to me are based on information provided to me and I believe them to be true.

Bhubaneswar.

Dated: 30.11.2023



*V Wagle*  
Chief-Regulatory & Government Affairs

IDENTIFIED BY ME  
*30/11/2023*  
ADVOCATE, BBSR

*30/11/2023*  
Jagynneswar Acharya  
Notary, Govt. Of India  
Odisha, BBSR, Dist-Khurda  
Regd.No.-7791/2009  
Mob:-9861006174

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**IN THE MATTER OF:** GRIDCO, OPTCL, SLDC, DoE-GoO and All Concerned Stake Holders.

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**Application under Section 42 of the Electricity Act 2003 read with OERC (Terms and Conditions of Intra-State Open Access) Regulations 2020 for approval of Wheeling Charges , Cross Subsidy Surcharge and Additional Surcharge for FY 2024-25**

1. TP Central Odisha (TPCODL) is required to submit proposal for approval of Open Access charges before the Hon'ble Commission for the FY 2024-25 as per the provisions of OERC (Terms and Conditions of Intra-State Open Access) Regulations 2020. Any customer under the licensee area of TPCODL intending to avail one MW or more power from any other Utility or generator by availing open access facility of distribution network of the Licensee may do so, by paying Open Access Charges applicable from time to time. This application is for approval of Open Access charges for FY 2024-25.
2. For determination of Open Access Charges for the Financial Year 2024-25, the Licensee considered estimated figures as presented in its ARR application for FY 2024-25.

**A. Wheeling charge for Open Access:**

3. In the petition for determination of ARR for FY 2024-25, TPCODL had submitted the following for wheeling business for FY 2024-25.
4. TPCODL is an entity formed with effect from 1st June 2020 and has inherited the systems as existing at the time of Effective date from CESU. As per the Tariff Regulations, the ARR needs to be worked out for Wheeling and Retail Supply business separately. However, such segregation requires tracking of expenses Capital in nature separately for Wires and Retail Supply business. In addition, the O&M expenditure also needs to be segregated separately. At this point of time, TPCODL has not achieved separation of the two. Further, even the Hon'ble Commission has approved the expenditure under various heads for both the businesses together and has achieved the segregation under pre-defined ratio.
5. As significant of the payment on the Additional Serviceable liability (ASL) is pertinent to the period prior to takeover would be related to the carriage part of the business, provisionally pending for the approval of the Hon'ble Commission, the allocation is done in the ratio of 90% : 10% between wheeling and Retail Supply Tariff.
6. Accordingly, in this submission, for the purpose of working out the Wheeling Charges, we have segregated the expenditure on the basis of the ratios used by the Hon'ble Commission in the various tariff orders. Based on the same, the Wheeling and Retail Supply ARR would be as follows:

**Table 1: Wheeling Business ARR**

Sr No	Particulars	Total (Rs Cr)	Wheeling Business Share	Retail Supply Business Share	Wheeling Business ARR (Rs Cr)	Retail Supply ARR (Rs Cr)
1	Cost of Normative power Purchase (including Transmission Charge and SLDC Charges) O&M Charges	4050.5	0%	100%	0.00	4050.46
2	Employee Costs (Net of capitalization)	856.19	60%	40%	513.71	342.47
3	Repairs and Maintenance	357.82	90%	10%	322.04	35.78
4	Admin and General	233.91	40%	60%	93.56	140.35
5	Bad and Doubtful Debt including Rebate	58.14	0%	100%	0.00	58.14
6	Depreciation	137.77	90%	10%	123.99	13.78
7	Interest for Capital Loan (incl. Finance Cost)	74.93	90%	10%	67.44	7.49
8	Interest for Working Capital	53.89	10%	90%	5.39	48.50
9	Interest on Security Deposits	84.84	0%	100%	0.00	84.84
10	Return on Equity	118.93	90%	10%	107.04	11.89
11	Tax on RoE	40.00	90%	10%	36.00	4.00
13	ASL Repayment	32.89	90%	10%	29.60	3.29
14	Non Tariff Income-Wheeling	-114.00			-94.00	
15	Non Tariff Retail Income					-20.00
	<b>Total</b>	<b>5985.78</b>			<b>1204.78</b>	<b>4780.99</b>

7. The Sales estimated in the petition are as follows

**Table 2: Sales Estimate for FY 2024-25 (MUs)**

Sr No	Particulars	FY 2024-25
1	Total LT Sales	5592
2	HT Sales	2288
3	EHT Sales	2065
4	Total Sales	9944

8. Based on the above submissions, the Wheeling Charges for TPCODL for Long Term and Medium Term Open Access and Short Term Open Access work out to following as provided in table below.

**Table 3: Wheeling Charges computation**

Sr No	Particulars	Unit	Value
1	Wheeling ARR	Rs Cr	1205
2	Energy Input to TPCODL	Mus	12306
3	Less EHT Sales	MUs	-2065
4	Energy input for wheeling computation	MUs	10241
5	Average Load served by the Distribution Licensee	MW	1169.08
6	Wheeling Charges for Medium Term and Long Term	Rs/MW/Day	28234
7	Wheeling Charges for Short Term	Rs/Kwh	1.18

**B. Cross subsidy surcharge for HT and EHT Consumers:**

9. The Cross Subsidy Surcharge proposed is based on the formula given in the Tariff Policy of 2016. The extracts of the Tariff Policy with regards to the CSS formula is given as under

**Extracts :CSS formula from Tariff Policy**

**Surcharge formula:**

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

Where

S is the surcharge

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

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation

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

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

R is the per unit cost of carrying regulatory assets.

10. Based on the same, and converting the Demand Charges (Rs/kVA/Month) for 100 % Load Factor (LF), the CSS for EHT and HT category of consumers is as follows:

**Table 4: Computation of Cross Subsidy Surcharge (CSS)**

Sr No	Particulars	Units	EHT	HT
1	Average Energy Charge	Rs/Kwh	5.80	5.85
2	Demand Charges	Rs/KVA/Month	250	250
3	PF Considered		0.97	0.94
4	Average Hours in a month	Hrs	730	730
5	Demand Charges converted with 100 % LF	Rs/Kwh	0.353	0.364
6	Total Tariff for CSS considered ( 1+5)	Rs/Kwh	6.15	6.21
7	Cost of Power Purchase	Rs/Kwh	3.05	3.05
8	Applicable Losses	%	3%	8%
9	Wheeling Charge	Rs/Kwh	0	1.18
10	CSS	Rs/KWh	3.01	1.72

**C. Additional Surcharge:**

11. As per Regulation 24 (2) of the OERC Terms and Conditions of Intra-State Open Access Regulations 2020, the condition for applicability of Additional Surcharge is as follows:

*(2) This additional surcharge shall become applicable only if the obligation of the licensee in terms of power purchase commitments has been and continues to be stranded or there is an unavoidable obligation and incidence to bear fixed costs consequent to such a contract. Note: Fixed costs related to network assets would be recovered through wheeling charges.*

12. Presently, TPCODL procures power from Gridco alone and is paying a Bulk Supply Tariff of **Rs 3.05 per Kwh** for the same under the Bulk Supply Agreement signed between Gridco and TPCODL on 30th June 2020. Since in the present arrangement of power purchase, there is no obligation to bear any fixed costs for purchase even after reduction of sales on account of Open Access, no Additional Surcharge has been proposed.

**D. Prayers**

13. TPCODL prays that the Hon'ble Commission may kindly pleased to;

1. Accept this Open Access Charges application of the applicant.
2. Approve the Open Access Charges of the Utility for FY 2024-25.
3. Permit making additional submission required in this matter.
4. Grant any other relief as deemed fit & proper in the facts and circumstances of the case.