TPSODL

TPSODL/Regulatory/2026/32/558 27-January-26

To,
The Secretary
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

Sub: TPSODL responses to Objections/Suggestions on TPSODL's Application on Annual Revenue Requirement (ARR), Truing Up, Open Access Charges (HT/EHT) and LT Open Access Charges – FY 2026-27.

(Case No 132,133, 134 & 135 of 2025)

Ref.: (i) Hon'ble Commission's letter no. case no. 132, 133, 134 & 135 of 2025/1597, 1598,1599 dated 17.12.2025
(ii) Hon'ble Commission's letter no. 132/2025/98 dated 22.01.2026

Dear Sir,

With reference to the above subject, we are herewith submitting our responses to the queries raised/observations made by 19 nos. of Organisations/Persons as have been admitted by the Commission as Attachment.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief- Finance & Regulatory

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,
BIDYUT NIYAMAK BHAWAN.
PLOT No-4, CHUNOKOLI, SHAILASHREE VIHAR, BHUBANESWAR-751021

IN THE MATTER OF: Application on Aggregate Revenue Requirement (ARR), Wheeling Tariff & Retail Supply Tariff for the FY 2026-27 under S.62 of the Electricity Act, 2003 read with OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022. **(Case No.132/2025)**

And

IN THE MATTER OF: Application for approval of Truing up of expenses for the FY 2024-25 along with reconsideration/revisit of Truing up of for the FY2023-24 in Case No.133 of 2025. **(Case No.133/2025)**

And

IN THE MATTER OF: Application for approval of Open Access Charges for EHT/HT/LT consumers for the FY 2026-27. **(Case No.134 & 135/2025)**

And

IN THE MATTER OF: TP Southern Odisha Distribution Ltd., Corp Office, Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760004.

……… Petitioner

AFFIDAVIT

I, Sri Bijay Kumar Mohanty, aged about 57 years, S/O Late Gobinda Chandra Mohanty, working as Chief Financial Officer and Regulatory, do hereby solemnly affirm and state as follows:

a) That, I am working as Chief Financial Officer and Regulatory of TPSODL, Courtpeta, Berhampur, Dist. - Ganjam-760004. I am the authorized representative in the above matter and duly authorized by the said applicant to make this affidavit on its behalf.

b) That, I have gone through the contentions in this submission and understood the contents thereof.

c) That, the facts stated in the present application are true to the best my knowledge and belief, and the same are based upon available records.

Miss MINATI RATH
NOTARY
GOVT. OF INDIA
Reg. No.46731/2025
Berhampur, Gm. Odisha
Sl.No. 7 (830) 830
Date: 27.01.2026
Time 12:30 AM/PM

Deponent

Verified that the contents of above affidavit are true and correct, no part it is false and nothing material has been concealed there-from.

Verified at Berhampur on this 27th day of Jan. 2026

Deponent

27-1-2026

DECLARATION
The deponent having been identified by
Advocate Sri Shakti Ranjan Mahapatro
solemnly affirm before me on this day of 27.01
2026 at 12:30 AM/PM that the contents mentioned
in this Affidavit are true to his/her knowledge information
and belief

Minati Rath
Miss Minati Rath
NOTARY Govt. of INDIA.
Reg.No 46731 /2025
Berhampur Ganjam Odisha

Identified by the ADVOCATE

List of Attachments

ANNEXURE	RESPONSE TO QUERY RAISED BY-
1	**Shri, Basudeb Bhatta** Co - Convenor of Aama Janata Adhikar, 226, Kharavel Nagar, Unit-3, Bhubaneswar-751001
2	**Shri, Priyabrata Sahu** At - Bijaya Bihar, 3rd Lane, Po-Berhampur, Dist - Ganjam Pin:760004
3	**Shri, Panchanan Jena** Working President, Bijuli Karmachari Sangh, Sakti Nagar, 3rd Lane, Engineering School Road, Berhampur-760010
4	**Shri, Alok Ranjan Mohantay** Dy CEE/TRD/HQ Office of Principal Chief Electrical Engineer East Coast Railway, Rail Sadan, Chandrasekharpur, Bhubaneswar 751017
5	**Shri, Akshya Kumar Sahani** Retd. Electrical Inspector, GoO B/L-108, VSS Nagar, Bhubaneswar-751007
6	**Shri, Ramesh Ch. Satpathy** President of Upobhokta Mahasangha, Plot No.302(B), Beherasahi, Nayapalli, Bhubaneswar-751012, Dist- Khurda, Odisha
7	**Shri Manoranjan Routray** Advocate, Trinath Temple Street, Po-Koraput, Dist-Koraput-764020
8	**M/s. Power Tech Consultants** Working as Sr. Consultant of M/s. Power Tech Consultants At-K-8-82, Kalinga Nagar, Ghatikia, Bhubaneswar-751029
9 (a)	**Shri, Baishnaba Charan Padhihary** Chief General Manager (Finanace), GRIDCO GRIDCO Limited, Janapath, Bhubaneswar-751022
9 (b)	**Shri, Bibhu Prasad Mahapatra** Chief General Manager (PP), GRIDCO GRIDCO Limited, Janapath, Bhubaneswar-751022

FORMS PART OF
AFFIDAVIT/AGREEMENT
NOTARY PUBLIC
Berhampur, Gm., Odisha

List of Attachments

ANNEXURE	RESPONSE TO QUERY RAISED BY-
10	**Shri, K. Prabhakar Dora** S/o-K. Bhaskar Rao Dora, 3rd Lane, Vidya Nagar, At/Po-Rayagada, 765001
11	**Shri, Ananda Kumar Mohapatra** Freelance Power Analyst, Plot No-799/4, Kotitirtha Lane, Old Town, Bhubaneswar-751012
12	**The Utkal Chamber of Commerce & Industry Ltd. (UCCI)** N-6, IRC Village, Nayapalli, Bhubaneswar-751015
13	**Shri, Sudhansu Dash** Bharati Airtel Limited, Bharati House, Plot No-E-13/1, Industrial Estate, Chandaka (Infocity), Chandrasekharpur, Bhubaneswar-24
14	**Shri, Ashok Kumar Bhukta** Main Road, Mandiapalli, Berhampur University, Po-Rangailunda, Dist-Ganjam-760007
15	**Shri, Naba Kishore Barik** Sr. General Manager (Regulation, Tariff & Commercial), Odisha Power Transmission Corporation Limited (OPTCL), Janapath, Bhubaneswar-751022
16	**Shri, Ali Kishore Patnaik** President of TPSODL Consumers Association, Saheed Laxman Nayak Community Hall, Hillpatna, Berhampur-760005
17	**Mrs. Sarita Mahapatra** CEO at Saraswati Educational & Charitable Trust, At-K-8-82, Kalinganagar, Ghatikia, Bhubaneswar-751029
18	**Shri, Prasanna Kumar Chhotray** Opposite to Circuit House, Railway Station Road, Berhampur-760005, Ganjam
19	**M/s. Indus Towers Limited** 2nd Floor, Plot No. C-3/2, Chandaka Industrial Area, Chandrasekharpur, Bhubaneswar-751021

ANNEXURE-1

TPSODL Response to Objections/Queries raised

Case No. 132 & 133 /2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
Mamati Rath
NOTARY PUBLIC
Berhampur. Gm., Odisha

TPSODL

TPSODL/Regulatory/2026/12/538 (2) 27-January-26

To,
Shri. Basudeb Bhatta
Co-Convenor, Aama Janata Adhikar
226, Kharavel Nagar, Unit-3,
Bhubaneswar, 751001

Sub: Case No. 132 & 133 of 2025 (ARR & Truing up application of TPSODL) – Objections/Observations of Shri. Basudeb Bhatta.

Ref.: Your submission dated 29th December 2025

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AACT3239P1Z1

Appendix

1. **Para no. 2 & 3 (Average Retail Tariff Hike, Tariff Hike, Improvement of Operational Efficiency, to conduct independent audits of past and proposed expenditures and Impact on Vulnerable Consumers):**

> 2. *That the deponent has reviewed the public notices and available details regarding the Aggregate Revenue Requirement (ARR) and Tariff Application filed by TP Southern Odisha Distribution Limited (TPSODL) for FY 2026-27 (Case No. 132/2025) and the linked Truing Up Application for FY 2023-24 & 2024- 25 {Case No. 133/2025). The deponent strongly opposes the proposed ARR, as the collective proposals by Odisha's four Tata Power DISCOMs (including TPSODL) project a combined ARR of Rs 20,673 crore and a revenue gap of Rs 664 crore, contributing to an overall average retail tariff hike of 98 paise per unit (up to nearly Rs. 1/unit) if approved in full, alongside GRIDCO's proposed 58 paise per unit bulk supply price hike.*
>
> 3. *(a) Unjustified and Burdensome Tariff Hike: TPSODL's proposal contributes to an unnecessary burden on consumers amid ongoing economic challenges and inflation. This violates Section 61 of the Electricity Act, 2003, which requires tariffs to be affordable, protect consumer interests, and promote cross-subsidization for domestic, agricultural, and low-income categories.*
>
> *(b) Persistent Service Deficiencies and Inefficiencies: TPSODL continues to face issues with frequent power outages, delayed restorations, inflated billing (including from smart meters), poor grievance redressal, and coercive practices such as arbitrary security deposit demands. Distribution losses remain high, and past performance does not justify rewarding inefficiencies. The Truing Up should disallow inflated claims for power purchase, employee costs, O&M expenses, and capital expenditure.*
>
> *(c) Coercive and Exploitative Practices: Recent actions, including billing disputes and lack of transparency in operations, reflect consumer exploitation. Overestimated revenue gaps promote profiteering, contravening OERC (Terms and Conditions for Determination of Wheeling Tariff & Retail Supply Tariff) Regulations, 2022.*
>
> *(d) Adverse Impact on Vulnerable Consumers: As Co-Convenor of Aama Janata Adhikar and a resident of Odisha, I represent affected consumers in TPSODL's area (including Berhampur, Ganjam, Aska, Bhanjanagar, Phulbani, Boudh, Jeypore, Nawarangpur, Malkangiri, Rayagada, Gunupur, and Paralakhemundi districts). Any hike disproportionately affects low-income households, rural populations, and*

marginalized groups in southern Odisha, infringing on the right to dignified life under Article 21 of the Indian Constitution and equitable access to essential services.

TPSODL Response:

The Petitioner would like to submit that, all the projections related to sales, expenses for FY 26-27 are made in an optimal manner and are in line with the prevailing Tariff Regulation, 2022.

We would like to submit that the operation of the Retail power distribution industry in Odisha functions under the regulatory mechanism wherein the Hon'ble Commission has been notifying various regulations/guidelines applicable for the Discoms. Further, The Hon'ble OERC by means of quarterly, half yearly and annual reviews directs the Discoms to improve their operational and financial efficiency.

The Petitioner, TPSODL has inherited the licensee area with a very high concentration of Domestic consumers along with a vast geographical spread. It has undertaken a number of consumer-centric initiatives by means of increasing the no of call centers and empowering the Fuse Call Centres (FCCs) to act as the primary touch point to register the consumer complaints. Further, it has been reviewing and optimizing the field staff deployment to ensure reliable and quality supply and by means of integrating technological advancement with customer services like deployment of GIS, SCADA etc.

Further, it is noteworthy to mention that, the overall performance of Odisha Discoms have been appreciated by various National level benchmarking and rating initiatives; like Integrated Rating and Ranking Power Distribution Utilities being conducted by PFC and Consumer Service Rating of Discoms (CSRD) conducted by REC.

ANNEXURE-2

TPSODL Response to Objections/Queries raised

Case No. 132 & 133 /2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
Minati Rath
NOTARY PUBLIC
Berhampur, Gm., Odisha

TP SOUTHERN ODISHA DISTRIBUTION LTD. BERHAMPUR

TPSODL

TPSODL/Regulatory/2026/30/556 (2)

27-January-26

To,
Shri. Priyabrata Sahu
At-Bijaya Bihar, 3rd lane,
Po-Berhampur
Dist: Ganjam, Pin:760004

Sub: Case No. 132 & 133 of 2025 (ARR & Truing up application of TPSODL) - Objections/Observations of Shri. Priyabrata Sahu.

Ref.: Your submission dated 10th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

Appendix

The para/point wise clarification to the objection raised by the objector is as under.

1. **Para no. 2 (Sales projection):**

> 2. *The discoms are proposing sales projection on different category too much to accommodate their expenditure and later on pass through in truing up exercise.*

TPSODL Response:

The Petitioner would like to state that, while estimating the category wise sales, it has taken into accounts various factors i.e. actual sales data for the first six months of FY 2025-26, actual addition of consumers, the load trajectory (actual as well as estimated), and other factors such as extended summer season, urbanization, industrialization and modernization, effective load booking etc. for projection of sales for current and ensuring year.

Under Domestic category around 40,000 new connections have been estimated for ensuing year FY 2026-27 & in General purpose category around 3,000 connections have been proposed. The activity of data sanitization is going on and also a continual activity for removal of Ghost consumers from the billing fold through field verifications.

While projecting the sales in HT Category, the DISCOM has analysed the consumption pattern of each HT consumer with contract demand of more than 1 MVA. For FY 2025-26, Contract demand is projected to increase due to addition of new consumers like M/s Arcelormittal Nippon Steel India Private Limited, Dean Principal SLN MCH Koraput and few others having CD greater than 1 MVA.

EHT sales majorly depends on Railway Traction, accounting for 50% of total EHT consumption of TPSODL. While the overall EHT sales growth for FY 2025-26 is estimated at a modest 0.48% due reduction in demand by few high consumers. Whereas for FY 2026-27, the projected EHT sales growth is 5.34%, due to improved load factors in industries.

2. **Para no. 3 (objection related to employee cost, R&M and A&G expenses, power outages):**

3. *The ARR of all Discoms proposes a unnatural hike in expenditure in employees cost, Repair & maintenance cost and A&G expenditure in excess of the last year approved expenditure. Further power outrages have gone up after TATA power taken over the company. If the gap proposed by the all Discerns is allowed it will increase the cost of unit by Rs 1.00 per unit.*

TPSODL Response:

It is submitted that, the details of the petitioner's proposed expenditures are submitted as part of the ARR petition along with the relevant annexures. The above-mentioned expenditures are necessary to provide proper service to the consumers as well as comply with the conditions set in the Hon'ble Commission's vesting order vide Case no-83/2020.

3. **Para no. 4 (objections related to provisional billing, rebate):**

4. *Further the bills of consumers are not served and generated on provisional but same time rebate are not passed on to the consumer when the actual bill is generated.*

TPSODL Response:

TPSODL would like to submit that the Hon'ble Commission has allowed digital rebate of 4% for LT Domestic and GP single phase customers. Further, to improve the accessibility of payment modes, the licensee has engaged various service providers for easy payment option to the consumers for payment of Energy Bills through offline/online mode. Also, in addition to the above the following rebates are applicable to the Odisha consumers:

a) LT Domestic, LT General Purpose and HT Bulk Supply (Domestic) consumers will get 10 paise/unit rebate for prompt payment of the bill within due date.
b) The rural LT domestic consumers who draw their power through correct meter and pay the bill in time shall get rebate of 10 paise per unit over and above other existing rebate for prompt payment.
c) 4% Rebate to all pre-paid consumers on pre-paid amount.
d) A Special rebate to the LT single phase consumers in addition to any other rebate, he is otherwise eligible, shall be allowed at the end of the financial year (the bill for the month of March), if he has paid the bill for all the 12 months of the financial year consistently without fail

within due date during the relevant financial year. The amount of rebate shall be equal to the rebate of the month of March for timely payment of bill.

e) Additional Rebate of Rs.10/ - p.m. if opted E-Bill.

f) The Commercial & Industrial Consumers and Consumers provided with smart meters having MD >10KW are eligible to get a ToD rebate of 20 paise/unit on Energy Charge during Solar Hours. The above Consumers shall pay a ToD surcharge of 30 paise/unit during Peak Hours. The ToD rebate and surcharge shall not be applicable during Normal Hours.

It is submitted that the petitioner, is strictly bound by the Regulations/ Guidelines framed by the Hon'ble Commission in line with the Electricity Act, 2003.

4. **Para no. 5 (objections related to disconnection without notice):**

> 5. *In addition to above DISCOMS are disconnecting the power supply without proper notice the same should be stopped immediately. The smart meter is disconnected without proper notice violating OERC directives.*

TPSODL Response:

It is submitted that the consumers' power supply is being disconnected after proper notice and prolonged default, in accordance with Regulation 172 of the OERC Distribution (Conditions of Supply) Code, 2019 as per Section 56 of the Electricity Act, 2003. Therefore, the allegation is not true and appropriate.

5. **Para no. 6 & 7 (observation/suggestion related Capex loan, financial benefits of Capex plan):**

> 6. *Further while calculating the interest on capex loan is charged for the whole year. The detail on loan availed from banks and the rate of interest may be furnished. There is no effort to reengineer and swap high-cost loans availed from bank.*
> 7. *The Discoms must give detail financial benefits derived from the Capex plan on account of loss reduction and its impact on tariff.*

TPSODL Response:

It is submitted that the detailed of the proposed Capital Investment Plan for FY2026-27 has already been submitted by the petitioner and registered case no. 78 of 2025. The hearing has been completed and currently, the case is reserved for Order.

We would like to submit that, the benefits of the Capex plan include increased supply reliability, reduction of AT&C loss, better consumer satisfaction; which have been mentioned in the Capex petition.

6. **Para no. 8,9 & 10 (observation/suggestion related to initial Security deposit, Additional Security deposit, refund of excess amount etc.):**

8. *In this regard security deposit I have many times requested the TPSODL authorities for calculation of additional security deposit on the basis of present load factor for application for enhanced load for the existing consumer. The TPSODL authorities failed to appreciate my submission. So, This appeal is filed before the commission for kind consideration.*

   As per the applicable regulation 52,53,54 of OERC Distribution Conditions of Supply Code-2019

   52. (i) to (v)……….

   53.

   54 (i) & (ii)…………

9. *As Per applicable provisions of Regulation 52(i) & (ii) the initial security deposit for the new consumer is calculated. Further a review of same made based on the average consumption for the period representing 12 (twelve) months from April to March of the previous year as per regulation 53. If the existing Security Deposit of a consumer is found to be in excess by more than 10% of the required security deposit, refund of the excess security deposit shall be made by the Licensee/supplier by adjustment from the outstanding dues of the consumer to the Licensee/supplier or any amount becoming due from the consumer to the Licensee/supplier immediately thereafter.*

10. *So, the intention of the regulation is to keep the security deposit as per consumption of the consumer and return the balance security deposit to the consumer there by safe guarding both consumer as well as interest of company in the interest of justice. The discoms must furnish how much security refunded to the consumer as per regulation suo-motto.*

TPSODL Response:

It is submitted that the Energy bills are being prepared by the petitioner duly following the regulations set by the Hon'ble Commission under the OERC Supply Code 2019. TPSODL is collecting security deposit in accordance with the regulations.

Further, the Discom has submitted the Independent Auditor's Report on the Security Deposit in compliance to the directive of the Hon'ble Commission in the Tariff Order for FY 25-26.

7. Para no. 11,12,13,14,15,16,17,18 & 19 (observation/suggestion related to KVAH billing etc.):

11. *Now as per the present tariff order of the Honourable commission, OERC Odisha this has been allowed to all the DISCOMs to evaluate the energy bills of industrial consumers in KVAH which is included the reactive power or loss power component of three phase power system.*
12. *The present proposal for charging KVAH tariff to LT consumer is indirectly increasing the tariff applicable to LT consumer. Instead, the consumer may be educated before implementation of same.*
13. *As we know that all motors and transformer are all inductive loads in the distribution system always having reactance in their respective supply lines and the consumers having motor loads are instructed for installation appropriate size of capacitor banks for availing the actual power by compensation of reactive power in low voltage side. Now on other side of HT supply lines of DISCOMs the DTRs as inductive load already exists in their system of supply should also be compensated to avoid power loss by installation of appropriate capacity of synchronized condensers or any such methods to neutralize the line reactance as per the National Electricity Policy (NEP) which is mandatory for every power system.*
14. *Here we found a discrimination of energy billings between HT & LT industrial consumers with KVAH & KWH respectively though the procurement of energy by the Discoms in BST are being generated in KWH from GRIDCO.*
15. *As per the voltage levels for contract demand guided in regulation, all the HT consumers are allowed to install transformers as per BEE standard after proper testing of the transformers by the DISCOM authorities to avail HT Supply as well as to save the energy,*
16. *In case of HT (Ind) consumer, those who are installing the transformers with their own capital investment and maintenance with appropriate standards of BEE to avail power supply in HT tariff are categorized in consumption of monthly energy charges in KVAH which includes the reactive power or loss power including Overhead line reactance & impedance of the input side of power supply of the consumer at HT without considering the system power factor. So this is an additional burden to the consumers after paying a higher monthly demand charges in their ECH bills.*

17. *Now we have seen in case of LT IND. consumers supplied from the Discom DTRs are being excluded from the above loss power charges which is due to the distribution transformer loss. So, the same the reactive power loss of the DTRs of category of consumers should be maintained as per BEE to avoid the national power loss as guided in national electricity policy of India.*
18. *This has been understood in your present tariff order 2023 without appropriate justification to the public the above-mentioned energy billing KVAH has been allowed to all DISCOMs.*
19. *So we appeal before the Hon'ble commission for appropriate directions to the DISCOM authorities to standardize their own DTRs to check the distribution loss as well as to compensate the line reactance and transformer impedance should be maintained as per BEE by installation synchronous condensers or static condensers with individual metering activities in each distribution sub-stations for evaluation with energy audit of distribution system.*
17. *Hence, we pray before the Hon'ble commission for appropriate directions to the DISCOM authorities for consideration of energy consumption in KWH for HT IND consumers till the DTRs of power utilities standardized as per the BEE and request for refund of excess of revenue already collected by adjusting in their respective ECh bills.*

TPSODL Response:

With regards to the objection regarding KVAH billing, it is submitted that the prime objective of the kVAh based billing is to encourage the consumers to maintain near unity power factor to achieve loss reduction, 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 transactions will be maintained in the 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 *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 are abolished w.e.f. FY 2021-22. In case of leading power factor whose instances are relatively few when kVrh 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.*

The 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.

It is to submit that Hon'ble APTEL has dealt with the issue of kVAh billing on several occasions. In Prime Ispat Ltd. and Another vrs Chhatisgarh 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 = 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."*

In view of the aforesaid judgment of the Hon'ble Tribunal, the ground raised by the petition is misconceived. Hence the said contention of the petitioner quash KVAH billing is to be dismissed.

Further the **Andhra Pradesh High court while disposing batch of appeals along with writ appeal No 115 of 2014** in the case of (APERC, SCY, Hyderabad and others Vrs CPDCL, M.D, HYD, and others) regarding KVAH billing delivered the observation in concluding Para of the judgment as follows.

> *The Commission hereby, approves the proposal for Kvah based billing instead of Kwh based billing. The Kvah billing shall be applicable for all HT Consumers and LT Consumers for whom trivector meters have been provided for. No power factor penalty shall be levied when the energy billing is done based on Kvah. The Commission has accordingly made suitable changes in the present tariff schedule.*

A reading of the above extract shows that the Commission, while taking the decision, had taken into consideration the interest of the Discoms as well as the consumers. The introduction of billing methodology as was done by the Commission is not new and it is already in vogue in some States.

8. **Para no. 18 (suggestions related to no tariff hike):**

18. There should be no tariff hike.

TPSODL Response:

We would like to submit that; the above matter is the prerogative of the Hon'ble Commission.

9. **Para no. 19 (suggestions related to smart meter, waiver of meter rent, meter cost, related SOP, conversion to pre-paid mode etc.):**

19. In case of their discoms across India the smart meter project is funded by Govt. of India as well as IPDS plan. However, in IPDS project is not taken as per plan directive of Govt of India. Presently the project is funded by RDSS scheme of Govt of India So, the meter will be available to the consumer free of cost. The consumer of Odisha will be benefited by above if govt of Odisha take initiative in this regard. Further there is no clarity regarding consumer who have purchased meter at their own cost and cost of assets created on govt scheme goes to waste and discoms claim R & M 3% on funded assets. Further the meter rent recovered from consumer not adjusted in the cost of smart meter. The cost of smart meter of different discoms differs. So, the commission should not increase the cost of smart meter rather there should be move to provide smart meter free of cost without burdening general consumer. we oppose the hike in meter rent of smart meter. So, SOP regarding smart meter may be brought out as per regulation. Further regarding Prepaid and post-paid consumer may be given option as now the licensee forcibly converting the consumer post-paid to Pre-paid vice versa.
TPSODL Response: It may be submitted that, TPSODL has submitted a petition with the Hon'ble Commission for waiver of meter rent vide case no 102 of 2024, which was disposed of by the Commission during the tariff proceedings for FY 25-26, wherein the Hon'ble Commission directed the waiver of smart meter rent for the Consumers upto 2 kW. The Discoms are submitting the monthly status report on the Smart meter installation to the Energy Dept. for their review. Further, as per the directive issued by the Hon'ble Commission, all the new smart meters are operating on Post-Paid mode by default, unless the consumer opts for the pre-paid mode.

10. **Para no. 20 (suggestions regarding classification of for seasonal short term Agro based industries like Cotton ginning Industry and Sugar/Jaggery industry mill under Seasonal Industry):**

20. As per regulation 119

"(iii) Notwithstanding anything contained above and in Regulation 117, the Commission may allow the change of contract demand of short term Agro based seasonal industries or irrigation in its order from time to time for a particular season of the year" *So, we request the commission to classify the industries like Rice mill, Ginning mill, sugar mill and jaggery making and other seasonal industries may be classified as seasonal industry. The above industry having contract demand more than 110 KVA may be billed on actual MD in the off season instead minimum 80% of contract demand. Which will immensely benefit the MSME sector.*
TPSODL Response: TPSODL would humbly request the Hon'ble Commission to examine the proposal in the light of Regulation 119 (iii) of OERC Distribution (Conditions of Supply) Code, 2019 and appropriate order may be passed accordingly.

11. Para no. 21 (objection/suggestion on provisional/final assessment, disconnection etc.):

21. As per OERC distribution conditions of supply regulation (111) (ii) periodical inspection is not done by the licensee in specified interval and after years if they are detecting any abnormality after prolonged period, they are issuing notice under sec (126) and Sec (135) without the fault of consumer. Without serving the letter of provisional and final assessment and due acknowledgement from the consumer they are disconnecting power supply. Further in case of reclassification of consumer they are not issuing proper notice under regulation 140 and without giving opportunity they are levying penalty under Sec (126) of which is violation of fundamental right.
TPSODL Response: It is submitted that all the activities of the Discom are being performed in accordance with relevant provisions of the OERC Distribution (Conditions of Supply) Code, 2019 and the Electricity Act, 2003. It is submitted that the consumers' power supply is being disconnected after proper notice and prolonged default.

12. Para (GRIDCO equity in kind):

ODSSP 33/11 substation is being provided to Discoms as equity contribution by GRIDCO in kind. ODSSP is a state sponsored scheme of GOO and expenditure is met from state budget duly approved by cabinet which means the money is already recovered from the tax payers, So the said equity infusion cannot earn ROE as well as depreciation which will increase the tariff. It is a double recovery cost from the consumer of Odisha,

TPSODL Response:

Since TPSODL has the shareholding of Tata Power (51%) and GRIDCO (49%), in order to maintain 49% stake in the company, GRIDCO is required to contribute 49% of such equity. In this matter, relevant extract of the approved Share Holder's Agreement (SHA) is mentioned below.

> *2.1 The amount of issued and paid up capital of OPERATING COMPANY may be varied from time to time as may be determined by the Board of Directors or the Shareholders of OPERATING COMPANY, provided that any issue of new shares shall be offered to GRIDCO and TPCL in a manner so as to ensure that GRIDCO and TPCL shall, at all times, hold 49% and 51% respectively of the issued, subscribed and paid up equity share capital of OPERATING COMPANY. The consideration paid by GRIDCO for subscription of equity shall be in cash, kind or any other form, as decided by GRIDCO and should be in compliance with the provisions of the Companies Act, 2013. In case consideration paid by GRIDCO is in any form other than cash, it should be of such nature that it is allowed by the Commission to be included in the fixed asset base for consideration in ARR. Such consideration may include the assets held in the books of the GoO which are being used by Southco utility and which shall continue to be used by the OPERATING COMPANY.*

However instead of contributing such equity, GRIDCO has preferred to contribute such equity in kind (distribution asset). Further, the Govt. Distribution Assets have been capitalized in books of accounts of TPSODL in the year of transfer.

13. Para no. 22,23,24 & 26 (query/observation related to new recruitment by the Discom and employee cost):

22. *The commission may examine and clarify the level of entry of newly recruited employee and their CTC as per approve sanctioned post in CTC category and their average annual CTC of said category.*
23. *From the tariff filing detail component wise cost of each each CTC category is not given and total figure is given, So it is apprended that the cost is increased*

and some some employees are highly paid which is above the distribution company standards. *So, the detail category wise and component wise detail may be furnish for analysis, The present expenditure proposed is burden to poor consumers of Odisha,* 24. *The commission may please classify the sanction posts in executive and non-executive as all the employees recruited are only executive. In the ARR filing said details are not furnished. A good nos of outsource and contractual employee are working in the company since long are not considered for recruitment there by depriving local people who are given their youth days to the company. So, the commission may approve posts as Executive and Non-executive.* 26. *The employee expenses projected to be Rs 584.02 crs which do not have detail of newly recruited employees.*
TPSODL Response: It is submitted that, the Discom has been making recruitment strictly as per the OERC approved manpower strength for the relevant year. The Discom has filed the details of the no of employees and the other relevant details as per the prescribed format as a part of the ARR petition for FY 2026-27.

14. Para no. 25 (observation related to interest free loan to employees):

25. *We object to interest free loan to the employees as it will increase the interest burden on consumer. There should be limit on such loan as well as burden of 50% interest should be with the employees.*
TPSODL Response: It may be submitted that, In order to regulate the service and allied matters of the employees of erstwhile Utilities of CESU, SOUTHCO, WESCO & NESCO, the Board of Directors of these Utilities, in their respective 5th meeting held on 24th November 1998, approved adoption of all the service rules, regulations, practices and procedures followed by GRIDCO Limited (GRIDCO) on the basis of various Govt. codes, notifications, office orders, circulars as well as practices and procedures prescribed by the Board of GRIDCO relating to the service matters of employees as on the date of vesting

of license to CESU/ SOUTHCO/ WESCO/ NESCO. Further, the employees' wellbeing related policies and procedures, as and when framed/adopted by GRIDCO/ Odisha Power Transmission Corporation Limited (OPTCL) for their employees, were subsequently adopted by erstwhile CESU and other Discoms.

M/s OPTCL has announced its Electric Vehicle Advance Policy (EVAP) for its employees which is in line with the guideline issued by the Finance Department, Government of Odisha (GoO) vide Memorandum No. 8524/F dated 05th April 2022. The TP Discoms in line with the OPTCL EVAP and Government of Odisha Memorandum have formulated there EV Policy in line with OPTCL's policy.

It is therefore proposed by TPSODL to permit to implement the EVAP of OPTCL in the respective Discoms to facilitate eligible and interested employees to purchase of EV by providing interest free recoverable advance.

15. Para no. 27 & 28 (observation related to R&M expenses proposed):

27. *The licensee is claiming huge amount towards R&M expenses to be incurred for TPSODL it is claimed Rs 232.00 for FY 2026-27.*
28. *Further the commission has approved capex over and above but no substantial improvement is visible in terms of replacement of old damaged poles, conductors, transformers and fencing by utilisation of said money. When the huge amount of money is pumped through R&M for replacement of poles, conductors. The same are capitalised and considered in capex, The commission may have a prudent check of the above. The accounting of capex and opex has to be examined. Small value items including tools tackles such as discharge rods, neon testers, safety helmets, PPE kits, replacement of jumpers, clamps connectors etc. which are required for maintenance of line network and substations in order to provide uninterrupted power supply to the consumers are to be met out of the R & M expenditure allowed in this order. Further, repairs like white washing, minor modification, face lifting of office ambiance and repair for boundary wall of PSS- & offices etc. should be met out of R&M expenditure. Such item/activity should not be considered/accounted as capital items and capitalized. However, the detailed list with the purchase value of such items/activity should bercorded in SAP system.*

TPSODL Response:

Based on the learning from last 5 years of stabilised operation, TPSODL had further optimised the comprehensive AMCs along with the manpower deployment structure for all six circles for operation and maintenance of 33KV, 11KV & LT assets to create a culture of preventive maintenance. The Performance Based Maintenance Contract also includes 24X7 Breakdowns Crews for restoration of 33KV & 11KV feeders and substation equipment. Besides, preventive maintenance activities are being performed as per the maintenance plan using the SAP PM system.

The network is being inspected regularly through manual patrolling as well as drone inspection in forest and inaccessible areas. Thermo-scanning is done for the entire network using high power thermo scanning cameras and to identify the defects, hotspots and attend breakdowns in quick time and perform preventive maintenance activities to enhance system reliability by rectifying the probable faults even before they occur.

We would like to submit that, the benefits of the Capex plan include increased supply reliability, reduction of AT&C loss, better consumer satisfaction; which have been mentioned in the Capex petition.

16. Para no. 18 (observation related to A&G expenses proposed):

18. Further while analysing A&G expenses Rs 177.29 of TPSODL the major component is MBC expenses it is observed that the licensee is major spending towards billing and collection expenses per consumer per month which is huge. it may be examined and reduced as it is burden to the poor consumer of odisha. When the huge amount of money is pumped towards A&G it is apprehended that it is capitalised and considered in capex, The commission may have a prudent check of the above.

TPSODL Response:

It may be submitted before the Hon'ble Commission that, the Petitioner is meticulously planning, reviewing and improving various loss reduction activities, which is contributing to the higher customer reach and dispute resolution.

Improvement in Billing Efficiency

OCR based consumer meter reading, installation of Smart Meters and Pre-paid metering for Government and Institutional Consumers, reporting of Unauthorized usage and regularization of unauthorized connections, Regularization of Connections released under Saubhagya scheme, Street Light Connections, Temple Connections, Surveillance/ Site Verification of Bill Stop/TD/Low consumption LI Connections, Energy Audit – Feeder / DT loss analysis & action plan, GIS based Spot Billing, Special Task Force for Bill Revision Activities and Camps for Resolution of Disputed Bills , Dedicated team for reduction of cycle time for replacement of Defective Meters and for identification of Ghost Consumers.

Improvement in Collection Efficiency

100% system generated money receipt against collection , Unified Door to Door Collection APP launched with customization and tracking feature , Mapping of domestic consumer Number in OLI/PLI connections, QR Code introduced on Spot to improve digital payment, involvement of Fuse Call Centers (FCCs) in recovery from ECL consumers, Skill Development to WSHGs engaged in Collection Activity and Reward and Recognition (R&R) for WSHGs, FCCs and RAs, Promotion of Rebate through: SBI CSP, CSC, OCAC, Collection Counters, Jan Seva Kendras, SEWA CAMPs in Slum Areas (One-Stop Solution for Metering, Billing, Bill Revision, and Collection), Roll Out of Missed call pay Service for Rural Consumers and Special Initiative to create Model Gram Panchayats and Focused Recovery from Rural Areas through Gram Panchayat Level Collection Teams.

That, based on the above premises, the Petitioner has made a detailed projection for the A&G expenses estimated for the FY 2025-26 and projected cost for the ensuing year FY 2026-27, after considering the revised MBC cost.

In addition to the above, TPSODL has also undertaken taken major initiatives to optimize A&G expenses.

a) Closure of Collection Counters where consumer footfall is below 150 (money receipt)
b) Fuel Allowance is based on the performance of Recovery Associates (RAs) and Supervisors
c) Reduction of Recovery Associates (RA) by promoting awareness on digital payments
d) Optimisation of enforcement expenses through reduction in BA man power and vehicle

17. Para no. 19 & 20 (suggestions related to waiver of meter rent, tariff hike, treatment of Tax of RoE, Employee cost, A&G cost, passing of non-tariff income in full to the consumers, scrutiny of expenses):

> 19. *The true up exercises of past years must be actual and as per parameter approved by tariff and regulation, but it is observed that same is claimed in normative basis taking up efficiency gain in misleading manner. Further every company paid income tax due to profit. Some are claimed in distribution expenses. If the effective tax rate is 25% the profit arrived as per profit & loss account may be passed on to the consumer as surplus. The Tax on return on equity may not be considered as it has to be paid out of their return on capital as every income tax payer is paying on their income. Passing the same to the consumer is not acceptable. Further the DERC has fixed return on equity as 10% which much below the return on equity fixed as per regulation. The unchecked employee cost as well as unproductive expenditure on A&G may not be allowed as consumer is paying heavy price without any efficiency gain. Further The non- tariff income such as rebate to the consumer, Supervision charges, over drawl penalty & DPS should be passed on the consumer in full instead of 1/3rd proposed by all Discerns. The expenditure may be scrutinised in respect of actual as well as provisions booked on different heads.*
> 20. *The non-tariff income such as rebate to the consumer, Supervision charges, over drawl penalty & DPS should be passed on the consumer in full instead of 1/3rd proposed by all Discoms.*

TPSODL Response:

The Petitioner would like to submit that, all the submission made under the True up applications are based on the Audited reports and in accordance with the provisions of the OERC Tariff Regulation, 2022.

We would like to submit that; the above submission is subject to the prudence check of the Hon'ble Commission.

18. Para no. 21,23 & 24 (Objections related to the Revenue gap proposed by the Discom, DPS on Domestic and GP category):

> 21. *The ensuing year revenue gap proposed by licence has to 166,09 cr has to be examined. The income tax and tax on equity has not separately shown in the proposed gap.*
> 23. *We do not agree with huge deficit projected toRs 280.95 Cr by TPSODL and other discoms.*

24. *We do not agree with levy of DPS to domestic and GP consumers as proposed by all the licensee as all know the reason of withdrawal of the same. We feel that poor consumers should not be burden with levy of DPS.*

TPSODL Response:

The revenue deficit is projected by TPSODL after proper scrutiny and as per prevalent regulatory provisions.

The DPS proposal has been made for specific categories after observing the pattern of payment by them and to act as a deterrent measure only.

19. Para no. 26 & 27 (Smart Meter, SOP policy):

26. *In case of their discoms across india the smart meter project is funded by Govt. of India as well as IPDS plan. However, in IPDS project is not taken as per plan directive of Govt of India. Further there is no clarity regarding consumer who have purchased meter at their own cost and cost of assets created on govt scheme goes to waste and discoms claim R & M 3% on funded assets. So, we don't find positive to the smart meter plan of discoms funded in capex where the burden will pass on the consumer.*
27. *Further in case of publication of SOP for policy changes the licensee should have consider for vetting of same by Govt and other statutory authorities.*

TPSODL response:

It may be submitted that, TPSODL had submitted a petition with the Hon'ble Commission for waiver of smart meter rent vide case no 102 of 2024, which was disposed of by the Commission during the tariff proceedings for FY 25-26, wherein the Hon'ble Commission directed the waiver of smart meter rent for the Consumers upto 2 kW.

The Discoms are submitting the monthly status report on the Smart meter installation to the Energy Dept. for their review.

It may also be submitted that, the matter regarding no tariff hike is prerogative of the Hon'ble Commission.

ANNEXURE-3

TPSODL Response to Objections/Queries raised

Case No. 132 & 133 /2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
Minati Rath
NOTARY PUBLIC
Berhampur. Gm., Odisha

TPSODL

TPSODL/Regulatory/2026/13/539 (2) 27-January-26

To,
Shri. Panchanana Jena
Working President, Bijuli Karmachari Sangh,
Sakti Nagar, 3rd Lane, Engineering School Road
Berhampur - 760010

Sub: Case No. 132 & 133 of 2025 (ARR and Truing up application of TPSODL) – Objections/Observations of Shri. Panchanana Jena.

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

Appendix

1. Para no. 1 & 2 (Regularization of outsourced person):

1. *I am Panchanana Jena Secretary of Bijuli karmachari Sangh. Our sangh is sitting on mass dharana in front of corporate office of TPSODL for more than 5 months for gradual absorption of outsource employees in TPSODL who have worked more than decade in erstwhile companies of Reliance and later SOUTHCO UTILITY.*
2. *During the year 2018 we have sat on dharana more than three months before the head office of the then SOUTHCO UTILITY. After it was promised by erstwhile management to regularise 200 people from outsource people and bipartite agreement is reached with the management in writing.*

TPSODL Response:

There exists no policy in Tata Power to regularize the outsourced employees. As there exists no such policy for regularization of outsourced persons working under TPSODL, TPSODL is not bound to regularize them.

SOUTHCO Utility was vested with TPSODL as per the vesting order of Hon'ble Commission vide case No 83/2020. In line with the vesting order TPSODL has been submitting the Annual Business Plans, application for approval of ARR for the next financial year along with projected employees' cost, R&M expenditure and A&G expenditure, which is subject to the Hon'ble Commissions prudence check and subsequent approval. In line with the guidelines and stipulations of the Hon'ble commission, recruitment is done from time to time.

2. Para no. 4 & 5 (Engagement of locals by TPSODL):

4. *From 01.01.2021 TPSODL come into existence and lot of executives around 1200 employee up to FY 23 people recruited by the management. I have a doubt in mind if it has approval of OERC. If so why the outsource people are ignored in the process who are local people and people of Southern odisha paying for the same. It is seen that lot of non odia people have joined who have no knowledge of odia are exploiting odia people in the very eyes of Govt & Hon'ble commission. It seems that all the institution has a bias towards labour class and want that we will remain as bonded labour with no human rights. Further the new addition all are Executives and more then 50% are non odias. Further all the discoms are recruiting officers with outside people from odisha who are inadequate capability*

in understanding odia consumers..All the discoms are following same path. All the discoms requested to following data for public knowledge.

a) No of people recruited from date of vesting to DEC-25

b) Executive(officer), Non-Executive(workers)

c) Odia speaking in both the level.

5. *Our submission is that are the outsource people have no carrier path and will be exploited through life time and we request Hon'ble commission to look into it while approving no of employees. Hon'ble commission must approve posts for nonexecutive employees in the as they are the one pillar in the democratic system.*

TPSODL Response:

It is submitted that, in 2023-24, 99 contractual employees (non-executive) have been recruited in non-executive category out of the outsourced employees working in TPSODL under third party contract deployed through different agencies. Such 99 employees were recruited by relaxing the eligibility criteria i.e., reduction in percentage marks. Similarly, next phase of recruitment out of the outsourced persons is presently under process. As a part of selection process, written examination has been conducted and result of the same is also declared. Further stage of selection i.e. the personal interview is in pipeline In the same process, opportunity has also been provided for outsource persons who are under matriculate and have qualified the Skill Enhancement training under the "Uddan" scheme.

Further, TPSODL has provided the number of New manpower added till Sept'25 since vesting of the erstwhile utility in TPSODL as part of the ARR submission. Requesting the objector to refer to page no. 23 of the ARR application for the details.

6. **Para no. 6,7,8 & 9 (query on recruitment practice, R&M & A&G cost etc.):**

6. *Further the commission may examine and clarify the level of entry of newly recruited employee and their CTC as per approve sanctioned post in CTC each category and their average annual CTC of said category.*
7. *From the tariff filing detail component wise cost of each CTC category is not given and total figure is given, so it is apprehended that the cost is increased and some employees are highly paid which is above the distribution company standards. So, the detail category wise and component wise detail may be furnish for analysis, The present expenditure proposed is burden to poor consumers of odisha,*

8. *The commission may please classify the sanction posts in executive and non-executive as all the employees recruited are only executive. In the ARR filing said details are not furnished. A good nos of outsource and contractual employee are working in the company since long are not considered for recruitment there by depriving local people who are given their youth days to the company. So, the commission may approve posts as Executive and Non-Executive.*
9. *The is wasteful expenditure in R&M and A&G which needs to be curtailed so that the burden to the poor consumers of Odisha may avoided.*

TPSODL response:

It is submitted that the issues raised by respondent has already been addressed during the previous tariff determination processes as well as under current petition filed by TPSODL, the same may be perused by the objector.
Further it may be submitted that, the recruitment is done in line with the guidelines, stipulations and approval of the Hon'ble commission, issued from time to time.

10. Para no. 10, 11 & 12 (objections raised on the labour practices of the Discoms during engagement of outsourced employees and suggestion related to workforce relocation):

10. *The four discoms are practicing unfair labour practice by employing outsource employees in permanent nature of work which amount to unfair labour practice it must be stopped. The people who are working long years may be absorbed in the organisation.*
11. *The AMC appointed by the companies for year. There by outsource manpower change their JOB frequently in a year causing mental harassment. We request the Hon'ble commission to give direction for employing AMC contract for three year for stabilisation of work force thereby contributing better in efficiency.*
12. *Further the management is victimising outsource employees in the work place by means of overtime work and other practices.*

TPSODL response:

It may be submitted that, all the agencies are appointed as per Contract Labour (Regulation and Abolition) Act, 1970 and TPSODL is following the Rules and Regulations thereon.

Further, it may be reiterated that, there is no discrimination to any particular category of employees as TPSODL believes in inclusive growth and welfare of all categories of employee.

13. Para no. 13 (passing of the Labour code to the outsource employee):

13. The benefit under labour code must be passed on to the outsource employees.

TPSODL response:

It may be submitted that TPSODL adheres to all applicable laws and regulations, and all compliances are currently being undertaken with due scrutiny.

ANNEXURE-4

TPSODL Response to Objections/Queries raised

Case No. 132/2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
Minati Rath
NOTARY PUBLIC
Berhampur, Gm., Odisha

TP SOUTHERN ODISHA DISTRIBUTION LTD. BERHAMPUR

TPSODL

TPSODL/Regulatory/2026/25/551 (2) 27-January-26

To,
Shri. Alok Ranjan Mohanty
Dy CEE/TRD/HQ/BBS
Office of the Principal Chief Electrical Engineer
East Coast Railway, Rail Sadan, Chandrasekharpur,
Bhubaneshwar 751017

Sub: Case No. 132 of 2025 (ARR application of TPSODL) – Objections/Observations of M/s East Coast Railway.

Ref.: Your letter no. ECoR/EL/TRD/447/14/1609 dated 15.01.2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix.**

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

Appendix

1. Para no. 2 (Railway Traction as a Separate Category in Odisha State):

2. *Plea:*

Hon'ble OERC is requested to treat Railway as separate category and fix tariff (EHT & HT) at lower level than that of tariff for other EHT & HT consumers in the state and also it is requested to increase the Special rebate to Railway Traction from 25 Paise/ KVAH to Re. 1 /KVAH.

TPSODL Response:

The Petitioner would like to state that, the railway traction tariff applicable in the State of Odisha is significantly lower and more competitive when compared with the corresponding tariffs prevailing in the neighboring states. A comparative analysis of railway traction tariffs applicable in adjacent states vis-à-vis Odisha, as placed in the table below, clearly establishes that the tariff in Odisha is comparatively economical.

	States	Demand Charges	Energy Charges	
1	Chhattisgarh	Rs.375 /-per kVA per month	Rs.5.25 per kVAh	
2	Andhra Pradesh	Rs.350/-per kVA per month	Rs.6.50 per kVAh	
3	Jharkhand	Rs.400/-per kVA per month	Rs.5.60 per kVAh	
4	Madhya Pradesh*	Rs.310/-per kVA per month	Rs. 5.90 per kWh	
*Guaranteed minimum annual consumption of 1500 unit(in kWh) per kVA of Contract demand.				
5	Maharashtra	Rs.472/-per kVA per month	Rs.5.31 per kVAh	
6	Bihar	Rs.540/per kVA per month	Rs.8.16 per kVAh	
7	**Odisha**	Rs.250/-per kVA per month	HT(kVAh)	EHT(kVAh)
		(Upto 60% L.F)	**5.85**	**5.80**
		(> 60% L.F)	**4.75**	**4.70**

So, the contention of the Railways regarding cheaper tariff in other adjacent state is not appropriate. It is further submitted that Railways are already provided a distinct classification under the HT and EHT categories as "Railway Traction". Therefore, there is no justification for creation of any additional or specialized tariff category exclusively for Railways.

Additionally, the Railways are being extended a rebate of 25 paise per unit. After factoring in the said rebate, the effective tariff under the EHT category works out to Rs. 5.55 per unit for consumption up to 60% load factor and Rs.

4.55 per unit for consumption beyond 60% load factor, which is competitive and reasonable.

2. **Para no. 3 (Reduction of Higher Demand and Energy Charges):**

3. Plea:
Hon'ble OERC is requested to reduce the existing demand and energy charges and to consider Railway traction tariff at par with that of organizations having > 60% Load factor.
Also requested to allow Load factor incentive for Railway traction category from 40% instead from 60%.
Further, Railway to be charged at the unit rate which is actual cost of supply of power to EHT category of consumers.

TPSODL Response:

The Railways have made repeated representations seeking reduction in both demand charges and energy charges, citing the specific nature of their load. In this regard, it is submitted that the Railways traction supply is availed in two-phase mode, whereas other industrial consumers are generally supplied in three-phase, which enables comparatively more efficient utilization of power. Owing to the inherent characteristics of railway traction load and operational constraints, the Railways are unable to operate at higher load factors.

Taking due cognizance of these factors, the Hon'ble Commission, in its Retail Supply Tariff Orders for FY 2023-24, FY 2024-25 and FY 2025-26, has already allowed a rebate of 25 paise per unit on the total energy consumption under the Railway Traction category. The said rebate adequately addresses the concerns raised by the Railways and provides a reasonable and sufficient relief.

It is further submitted that Railway Traction consumers are treated at par with other EHT consumers, and there is no separate or concessional tariff prescribed exclusively for Railways in any other State. On the contrary, the railway traction tariff applicable in Odisha is comparatively lower than that prevailing in most other States, as evidenced from the comparative tariff table placed above.

The present slab-wise energy charge structure applicable to HT & EHT Category is as follows:

Slab rate of energy charges for HT & EHT (Paise/kVAh)

Load Factor (%)	HT	EHT
= < 60%	585.00	580.00
> 60%	475.00	470.00

It is submitted that the Railways are presently covered under the EHT category, under which they are operating owing to the inherent nature of their power drawal. Any proposal to reduce the existing load factor discount from the present level to 40% would have an adverse impact on the business of the Licensee. The Licensee is statutorily obligated to supply power to multiple consumer categories, including certain categories where the approved tariff is lower than the cost of supply under the existing tariff framework. In such a scenario, any further reduction in tariff for the Railway Traction category would necessitate an increase in tariff for cross-subsidizing consumer categories, which may not be desirable.

Presently Railway is being charged well within the limits of +/- 20% of the average cost of supply. This is evident from the fact that the Average cost of supply for the state is Rs. 6.02 per unit. As per RST Order FY 25-26, the average revenue realization for the category as a whole is Rs. 6.45 per unit including demand charges. Hence, the same is equal to 5% above the average cost of supply.

3. Para no. 4 (Exemption of Railway Traction category from Solar, Normal & Peak Hour Tariff - TOD Rebate/ Surcharge):

4. Plea:

As Smart meters have not been provided for billing purpose for Railway Traction category and as the traction load can't be regulated according to Solar hour, Normal hour or Peak hour, hence Hon'ble OERC is requested to exempt Railway Traction category consumers from Solar, Normal & peak hour tariff (TOD rebate/ surcharge).

TPSODL Response:

TOD tariffs are integral to promoting demand-side management, grid stability and equitable tariff structures. While the Licensee acknowledges the non-discretionary nature of the Railway Traction loads but the existing meter is well capable to capture all the required parameters through which TOD billing is possible. When ToD rebate during off peak hour was available for 3 phase consumers, Railway was strongly pleading for it.

Now, Hon'ble Commission has allowed to all consumers of Industrial and GP more than 10 kw load without discrimination. But, surprisingly railway is denying. Exempting this category may undermine the principles of equity and shift the cost burden to other consumers, while also diluting the effectiveness of TOD mechanisms in managing peak demand and optimizing grid operations. With the increased penetration of solar power and in order to ensure grid stability, it is the national challenge to meet significant consumption during peak hours hence TOD surcharge has been mandated. Further, during Solar Hour TOD rebate is also being extended to emphasize the need for TOD applicability.

However, Hon'ble Commission may consider a specific solution tailor-made to address Railways' operational needs while taking cognizance of the other challenges aligning with TOD objectives. Therefore, the Licensee humbly requests the Hon'ble Commission to kindly consider these factors and uphold TOD tariff applicability for all consumers, including Railway Traction.

4. Para no. 5 (Ignorance of MD rise/overshoot of both the adjacent RTSSs during their feed extension over the RTSS where incoming supply failed due to OPTCL):

5. Plea:

Hon'ble OERC is requested to advise the DISCOMs suitably to ignore the MD rise/ overshoot of both side RTSSs of same or other DISCOMs during their feed extension over the RTSS where incoming supply fails due to OPTCL reason.

DISCOMs may be advised to ignore the MD rise/ overshoot in the same month as some DISCOMs are taking months together to resolve the case.

TPSODL Response:

The Railway submission is for feed extension of one RTSS from one Discom to other Discom where the incoming supply fails due to issue in OPTCL network.

The suggestion of the Railway may be further examined by the Hon'ble Commission.

5. Para no. 6 (Deduction of export traction energy from billing energy (IMPORT)):

6. Plea:

Hon'ble OERC is requested to advise the DISCOMs/OPTCL/GRIDCO authorities to calculate the monthly billing Traction Energy as difference of Import Energy and Export energy.

TPSODL Response:

The existing methodology for computation of monthly railway traction energy billing is being followed in accordance with the applicable regulatory provisions, approved tariff orders and prevailing metering and energy accounting practices. The present mechanism duly considers import and export energy recorded through interface meters and ensures accurate, transparent and auditable energy accounting.

Any change in the methodology for calculation of traction energy, including billing based on net energy (i.e., import energy minus export energy), would require detailed examination of technical feasibility, metering configuration, energy accounting implications and consistency with existing regulatory frameworks.

The Licensee shall abide by any directions issued by the Hon'ble Commission in this regard.

ANNEXURE-5

TPSODL Response to Objections/Queries raised

Case No. 132/2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
Minati Rath
NOTARY PUBLIC
Berhampur, Gm., Odisha

TPSODL

TPSODL/Regulatory/2026/15/541 (2) 27-January-26

To,
Shri. A. K. Sahani
Rtd. Electrical Inspector, GoO
B/L-108, VSS Nagar,
Bhubaneshwar 751007

Sub: Case No. 132 of 2025 (ARR application of TPSODL) - Objections/Observations of Shri. A.K. Sahani.

Ref.: Your submission dated 16th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

Appendix

TPSODL, being the Retail Power Distribution Licensee for southern part of Odisha has taken into consideration all possible measures while submitting the ARR petition and Wheeling and Retail Supply Tariff for the FY 2026-27.

In this context, the Para-wise response to the constructive objections filed by the objector is enumerated below.

1. Para no. 1 (Tariff Rationalization and Remunerative Benefit):

1. *That Chapter-7: Tariff design and Rationalization proposal are placed by the Petitioner at Para-7.1 to Para-7.21, Page-86 to 107. At Para-7.3, the Petitioner is of opinion that Odisha DISCOMs are recovering 10% (approximately) of the total revenue whereas other states are much above to that i.e. 15%-20%.*

   Odisha DISCOMs should not forget that Odisha is a surplus energy generator and Tariff is much above in comparison to other state and more than 70% people of Odisha are below poverty line. DISCOMs are collecting money as Additional Security Deposit, forcing consumers to construct line and sub-station without extending any remunerative benefit and bills prepared in this line and also bills are prepared against the provisions of law.

TPSODL Response:

We would like to submit that, the tariff rationalization proposals are submitted, keeping the interest of all stakeholders under consideration and to further align the tariff structure of the Odisha with the tariff structure of the other states.

2. Para no. 2 (Remunerative Benefit):

2. *That new concept as regards remunerative benefit is concerned is 6% and 100% of the total line and sub-station. Against 100%, consumer has to pay the full cost. Against 6% supervision, consumer has to pay 6% supervision charges and construct the line and sub-station through an empanelled Electrical Contractor of the DISCOM. Such concept is just to harass poor consumer of Odisha by avoiding extension of remunerative benefit.*

TPSODL Response:

We would like to submit that, we are extending the benefits to the consumers as per the existing regulations under OERC Supply Code 2019.

3. Para no. 3 & 4 (Collection-under Section 126 & 135 of Electricity Act, 2003):

3. *That the DISCOMs are not projecting how much money they have collected in the name of Section 126 & 135 of the Electricity Act 2003.*
4. *That even law of limitation is not applicable to consumers, as per Indian Electricity Act 1910 and Electricity Act 2003 (in short Electricity Act). There is provision in the OERC Regulation 2019, a consumer cannot demand revision of any wrong bill, which is beyond 2 years. This Regulation is against the provisions of Electricity Act.*

TPSODL Response:

We would like to submit the that, the Discom is operating under provisions of the Electricity Act'2003 and under ambit of OERC Supply Code 2019.
The revision of the bills is being done as per the provision of OERC Supply Code 2019.

4. Para no. 5 (non-compliance of the Order passed by the Forum / Hon'ble High Court):

5. *That in any case, a consumer has got a favourable order from any Forums below, it has been challenged by the DISCOMs and kept it pending in the Hon'ble High Court for years together. If any order passed in favour of the consumer by the Hon'ble High Court of Orissa, in some pleas or other, it has not been implemented by the DISCOMs. If implemented, that also with wrong interpretation revision bill amount has reduced abnormally: For instance, any bill which are in favour of the consumer in the year 2013, which are stayed by Hon'ble High Court of Orissa on the Writ Petition by the DISCOM and subsequently, Hon'ble High Court passed order in favour of the Petitioner, then in such revision statement, there is no credit of interest to the consumer.*

TPSODL Response:

We would like to submit that, TPSODL is implementing the orders passed by different judicial and quasi-judicial forums in proper manner.

5. Para no. 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 & 17 (Consumer Billing-under Section 126 of Electricity Act'2003, DPS, Disputed Bills, Special Tariff, Load Factor Rebate, Installation of Capacitor Bank, Stopped KVAh billing, Change of ownership, RST and smart meter):

> 6. *That the DISCOMs are attacking subsidized consumers and bills are raised in the name of Section 126 of the Electricity Act 2003. One example is Prawn Processing Units of Odisha. So, it is prayed that person or Authority of DISCOM, who has initiate this and in subsequent stage, consumer got the relief, then such Authority should responsible for expenditures incurred by the DISCOM, which is projected in the Tariff Order. For a wrong action of a litigant Authority / Officer, consumer should not suffer through tariff hike. If responsibility will be fixed on such Authority/ Officer, then it will not happen.*
> 7. *That fixing of Monthly Fixed Charges, it should be reduced now. There should not be any hike.*
> 8. *That regarding DPS on electric bills, the present procedure should continue.*
> 9. *That DPS should not be levied on disputed bills, even which are subjudice before the Forums/Authority/ Hon'ble Courts.*
> 10. *That there should be a column in the bill for the amount on disputed bills.*
> 11. *That no consumer of Odisha are will fully making delay payment. So DPS should continue, as before.*
> 12. *That there is proposal for special tariff to steel industries at 33KV level without CGP. All steel industries at 33KV have to there CGP for utilization of power on their waist energy.*
> 13. *That load factor rebate to HT and EHT industries, should continue even with CGP. Without CGP, they can reach 80% load factor, but with CGP, 80% load factor cannot be achieved. This is a beneficial to DISCOMs not to consumers, which should be abolished.*
> 14. *That as regards KVAh billing to LT category consumers is a further imposition of large amount bill on a poor LT consumer. For avoiding low power factor, the Petitioner/ DISCOM should install capacitor banks in their LT & HT lines. KVAh billing should be stopped for all consumers. The reason is power factor of generators are 85% to 90%. If all consumers will install capacitor bank and total power factor goes beyond 90%, then electrical system may collapse. So, KVAh billing should be stopped.*
> 15. *That regarding application for change of name of consumer on the death of a person needs amendment and it should be transferred to his or her legal heirs.*

16. *That the Petitioner proposes RST structure for FY 2026-27 should not be honoured by the Hon'ble Commission.*
17. *That regarding Smart Meter, consumer should not be forced if his or her meter is in working condition.*

TPSODL Response:

We would like to submit that most of the submission of the objector has been taken care by Hon'ble Commission after due discussion in the earlier tariff orders.

Further, some of the observation of the applicant is not correct as per our submission.

6. Para no. 18 (Remunerative Benefit, Demand Charges & ED Payment):

18. *That TPSODL in its ARR for the FY 2026-27 requested Hon'ble Commission for approval of ARR 2026-27 including amortization of Regulating asset on account of truing up of 2025-26, bridge the revenue gap through increase in RST, reduction in BST, grand/ subsidy from Govt. of Odisha.*

    Now the Petitioner. is not taking adequate action for AT&C reduction, which plays a vital role for determination of tariff. Present projected AT&C loss and T&D loss should be on audited basis and this figure may not be correct as all feeders and Sub-stations and all consumers are not yet metered.

    Moreover, the present petitioner should honour for different provisions of law.

    Few points are as below:

    a. *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 TPSODL. The petitioner should take care on the matter.*
    b. *The consumers less than 110 KVA are not being extended with demand charges as per different tariff orders by TPSODL. Tariff order should be implemented strictly by the Petitioner.*
    c. *Govt. ED should be paid by TPSODL 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 a payment by the consumer. The Govt. of Odisha, Energy Deptt. should enforce such Regulations.*

TPSODL Response:

With regards to the observation of the respondent it is submitted that TPSODL came into existence effective from 01.01.2021. As per the Vesting Order (case no 83/2020), the Hon'ble Commission has stipulated the loss reduction trajectory for 10 years. Para 45 of the vesting order speaks about the same.

> *45. AT&C Loss Trajectory for tariff determination*
>
> *(a) As part of the RFP, the Commission provided the following 10-year AT&C loss trajectory to be adopted for determination of tariff for period FY 2021-22 to FY 2030-31:*

Table 4: 10-year AT&C Loss Trajectory for Tariff Determination

AT&C Loss Trajectory for Tariff Determination (%)									
FY22	***FY23***	***FY24***	***FY25***	***FY26***	***FY27***	***FY28***	***FY29***	***FY30***	***FY31***
25.75	*25.75*	*25.75*	*25.35*	*25.00*	*22.57*	*20.38*	*18.40*	*16.61*	*15.00*

Further it is submitted that, the present application has been submitted considering the above loss reduction trajectory issued by the Hon'ble commission.

In response to para 18 (a) it is submitted that the TPSODL is adhering to the guidelines as mentioned in OERC Distribution (Conditions of Supply) Code, 2019. Specific observation if any remains unattended may please be intimated.

In response to para 18 (b) it is submitted that TPSODL is honoring all orders and regulations of OERC and extending all the benefits to eligible consumers from time to time. Billing to consumers having less than 110 KVA is strictly observed as per direction of the Hon'ble Commission. Specific observation if any remains unattended may please be intimated.

In response to para 18 (c) it is to state that para 152 of the OERC Distribution (Conditions of Supply) Code, 2019; specifically addresses the manner of Recovery of arrears. The Licensee is adhering the same carefully. Specific observation if any remains unattended may please be intimated.

7. **Para no. 19 (Collection under Section 126 of Electricity Act, 2003):**

19. 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. In this regard Hon'ble Commission in Para-82 of RST Order 2014-15 has issued direction to the Licensee to indicate the arrear collected from the consumers out of the past arrear. But it has not been followed.

TPSODL Response:

In response to para 19, TPSODL submits 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 will use the electricity supplied, in a 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 (b) format.

8. **Para no. 20 (Withdrawal KVAh billing):**

20. That in the RST order for 2021-22, Hon'ble commission adopted KVAH billing. Adoption of KVAH billing system is a safeguard to the licensee from commercial point of view but licensee has ignored the safety of the system. It is endure of the consumer that they should have high PF but not 100% as ultimately it will unsafe system. By introduction of KVAH billing system the P.F incentive is withdrawn and there is more revenue to DISCOMs for higher KVAH recording but system may be damaged. ***In this process of adoption of KVAH billing, the SI, MI & other HT consumer, who were not under P.F folder, is being affected badly. It can be solved and KVAH unit will be 20 paise less than KWH unit so that consumers' will be interested for high power factor.***

For KVAH billing, Regulation 135 of OERC Distribution (Conditions of Supply) Code 2019 should have been amended. Such Regulation reads as below:

"135. Tho consumer shall so arrange his installation that the average lagging power factor of his load during any billing period is not less than 92%. Power factor penalty shall be levied if there is a breach of the aforesaid requirement as decided from time to time."

Hence, for withdrawal of KVAH billing should be considered by the Hon'ble Commission.

TPSODL Response:

In response to para 20, it is submitted that –

> *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 transactions will be maintained in the 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 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 are abolished w.e.f. FY 2021-22. In case of leading power factor whose instances are relatively few when kVrh 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.*

The 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.

It is 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 = 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."

In view of the aforesaid judgment of the Hon'ble Tribunal, the ground raised by the petition is misconceived. Hence the said contention of the petitioner quash KVAH billing is to be dismissed.

Further the **Andhra Pradesh High court while disposing batch of appeals along with writ appeal No 115 of 2014** in the case of (APERC, SCY, Hyderabad and others Vrs CPDCL, M.D, HYD, and others) regarding KVAH billing delivered the observation in concluding Para of the judgment as follows.

The Commission hereby, approves the proposal for Kvah based billing instead of Kwh based billing. The Kvah billing shall be applicable for all HT Consumers and LT Consumers for whom trivector meters have been provided for. No power factor penalty shall be levied when the energy billing is done based on Kvah. The Commission has accordingly made suitable changes in the present tariff schedule.

A reading of the above extract shows that the Commission, while taking the decision, had taken into consideration the interest of the Discoms as well as the consumers. The introduction of billing methodology as was done by the Commission is not new and it is already in practice in some States.

9. Para no. 21 & 22 (MMFC / Demand Charges & Calculation of Load factor):

21. 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 through 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. In this regard, last year tariff order should continue.

22. That Power ON hour should be actual power availed by the consumer for the purpose of load factor billing purpose. But Hon'ble Commission passed order at Para-234 & 235 of the present RST order, which reads a s below:

....

From analysis of such Regulations, there is no bar for calculation of load factor, where there will be imposition of 60 hours. It should be based on actual Power On in the system. There should not be any restriction for calculation of load factor in the system.

Such Regulation was framed, when there is inadequate infrastructure development in the electrical distribution system. Now Electrical Infrastructure has already been developed as there is adequate nos of GRID Sub-stations, 33 KV line and 33/11 KV sub-stations and 11KV line and 11/0.4 KV sub-stations. So, there should not be any bar for calculation of load factor which is also with due honour to Regulation 2(42) of OERC Code 2019.

TPSODL Response:

In response to para 21 & 22, it is submitted that the licensee is adhering to the direction of Hon'ble Commission strictly. There is no such manual intervention in DISCOM billing, it is digitalized through FG system & the billing system is designed to capture all the parameters as per RST order of Hon'ble Commission.

TPSODL is following the direction of Hon'ble Commission while calculating power ON hours in accordance with the RST order FY 25-26. Any changes or modification in tariff structure is the Hon'ble Commission's prerogative.

10. Para no. 23 (Regulation for Allied Agriculture &Allied Agro Industrial Activities):

23. That the following consumers are not being extended with benefit as per Regulations and Tariff Orders even though orders passed by GRF and Ombudsman:

a. Allied Agricultural Activities
b. Allied Agro-Industrial Activities

Strict instruction to DISCOMs should be issued in this regard by the Hon'ble OERC.

TPSODL Response:

In response to para 23, it is submitted that the licensee is strictly adhering to the prescribed regulations under OERC Distribution (Conditions of Supply) Code, 2019 and OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations 2022 as well as various directives of the Hon'ble Commission including the RST Orders.

The Discom is also honouring the direction of GRF & OMBUDSMAN scrupulously. However, wherever it appears that it is not in line with the spirit of law, the Discom is challenging the same before appropriate forum for the interest of all stakeholders.

Further, the Discom is extending all the benefits to the Allied Agricultural Activities and Allied Agro-Industrial Activities as per the above provisions.

11. Para no. 24, 25 & 26 (Power Supply to LI points in the urban area, Elimination of Cross Subsidy Surcharge & Calculation of Cross Subsidy Surcharge):

24. *Relating to urban area is against poor LI consumer of the area. As per such Regulation, such LI points will be billed on GPS tariff. Now also billed on GPS tariff, which is a burden on poor LI consumers, residing in Municipality/ NAC area. For instance, from Chouwdar NAC to beyond Khordha NAC area are connected in the name of different Municipality & NAC area, it also happens in other urban areas of Odisha, where there are poor LI consumers by whose product, the citizen of urban area are getting vegetable and fruits. Such consumers should not suffer through GPS tariff. A very purpose of relief to agriculture consumer is defeated by such Regulation. It should be amended. At least in urban area LI consumer of 1 0HP should be on LI tariff under Regulation 138(e).*
    In rainy season i.e. from June to November, normally LI points does not run. So only demand charges should be charged and load factor bills against power supply without meter should not be charged.
25. *That Regulation-2(vi) & (vii) of OERC (Terms & Conditions for Open Access) Regulations, 2005 (hereafter Regulation 2005) reads as below:*
    "2(vi)- The surcharge and cross-subsidy shall be progressively reduced and eliminated in the manner as the Commission may lay down for reduction and elimination of cross-subsidies in its regulations or revised tariff order issued from time to time keeping in view the Long Term Tariff Strategy and the Business Plan approved by the Commission."

26. *That the Regulation 2(vii) of above Regulation 2005 reads as below:*
   "2(vii) - Surcharge should be calculated by the licensees and approved by the Commission."
   The Open Access charges (Cross Subsidy surcharge & wheeling charges) as per different RST order and Para 388 of RST order 2021-22...........
   How such calculation is made, is not there in the RST order. Hence, such order should be reviewed.

TPSODL Response:

In response to para 24, 25 & 26 (suggestion regarding billing for urban LI points and of cross-subsidies, surcharge); it is submitted that the Hon'ble commission may examine the same as per prayer of the objector.

12. Para no. 27, 28, 29, 30 & 31 (suggestion regarding of gradual reduction of cross-subsidies, non-discriminatory Open Access, surcharge):

27. *That the Cross Subsidy Surcharge ought to be gradually reduced every year. This is laid down in Section 42 of the Electricity Act, 2003 (Act) that a road map is to be made by the Hon'ble Commission for reduction of the subsidies and the corresponding reduction in the amount of subsidies is to be reflected and implemented for the purposes of reduction of the Cross Subsidy Surcharge. Further Section 42(2) of Electricity Act, 2003 provides that, there should have been constant Endeavour on the part of the Hon'ble Commission to reduce the cross subsidy surcharge on yearly basis.........*
   ....which is in violation of Regulation 2(vi). Transmission charges for Open Access consumers have not reduced yet.

28. *That the purpose of approval of Open Access Charges is to provide the consumer non-discriminatory Open Access; so that the consumer will be able to procure power from cheaper source so as to ensure that the operating of its industry is commercially viable. While purchasing power from other sources, the consumer has to pay energy charges to the Power Exchange/ seller/ IPP/ other generators. Due to very high Cross Subsidy Surcharge of TPSODL, the total cost of the energy is very high; thereby purchase of RTC power through Open Access is not affordable.*
29. *That Power ON hour should be actual power availed by the consumer for the purpose of load factor billing purpose. But Hon'ble Commission passed order at Para-234 & 235 of the present RST order..........*

From analysis of such Regulations, there is no bar for calculation of load factor, where there will be imposition of 60 hours. It should be based on actual Power On in the system. There should not be any restriction for calculation of load factor in the system.

Such Regulation was framed, when there is inadequate infrastructure development in the electrical distribution system. Now Electrical Infrastructure has already been developed as there is adequate nos of GRID Sub-stations, 33 KV line and 33/11 KV sub-stations and 11KV line and 11/0.4 KV sub-stations. So, there should not be any bar for calculation of load factor which is also with due honour to Regulation 2(42) of OERC Code 2019.

30. *That privatization of energy sector in Odisha is even more than 20 years, there has been no efforts to reduce the cross subsidy. The open access charges particularly cross subsidy surcharge of DISCOMs in Odisha is very high as compared to the other state, due to which nobody is interested to purchase power from other sources. Because of the higher cross subsidy surcharge, the very purpose of open access is defeated. The Hon'ble Commission should promote the development of the power trading market as per Section 66 of Electricity Act 2003 by fixing open access charges including cross subsidy surcharges at reasonable levels in order to encourage competition in the power market. Further it is duty of the Hon'ble Commission to reflect the cost of supply of electricity in the tariff and also to reduce cross-subsidies within a specified period as per Section 61 (g) of the Electricity Act 2003.*

31. *That the purpose of approval of Open Access Charges is to provide the consumer non-discriminatory Open Access; so that the consumer will be able to procure power from cheaper source so as to ensure that the operating of its industry is commercially viable. While purchasing power from other sources, the consumer has to pay energy charges to the Power Exchange/ seller/ IPP/ other generators. Due to very high Cross Subsidy surcharge of TPSODL, the total cost of the energy is very high, thereby purchase of RTC power through Open Access is not affordable.*

TPSODL Response:

In response to para 27, 28, 29, 30 & 31 (suggestion regarding of gradual reduction of cross-subsidies, non-discriminatory Open Access, surcharge): it is submitted that the Hon'ble commission has notified the OERC (Terms and Conditions of Intra-State Open Access) Regulations, 2020 to fixation of cross subsidies and reduction of surcharge and further the Hon'ble Commission has also notified the OERC (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023.

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.

13. **Para no. 33 & 34 (suggestion for re-introduction of power factor incentive/penalty, loss reduction eligible timeline):**

33. That power factor incentive/ penalty and KWH billing should be reintroduced as before.
34. That further load reduction period should be 12 months instead of 36 months. Hon'ble Commission may approve the same in the RST order for 2024-25.

TPSODL Response:

In response to para 33 & 34 (suggestion for re-introduction of power factor incentive/penalty, loss reduction eligible timeline; TPSODL would like to put forward its disagreement with the suggestions put forward by the objector.

Further, the Discom has submitted a Tariff Rationalisation proposal for charging the leading power factor cases on KVAH basis, so that the injection by high end consumers is as per their actual requirement and proper voltage is maintained for all the consumers.

14. **Para no. 35 & 36 (suggestion for govt. subsidy for cold storage, smart prepaid for govt. connections):**

35. For survival of cold storages across the state, Govt. of Odisha should compensate, which is also mandated under Section-65 of the Electricity Act 2003.
36. In this regard, Hon'ble Commission may kindly allow for replacement of all the meters of the Govt. connections available in all the block level and above with smart prepaid meters during the ensuing year.

TPSODL Response:

In response to para 35 & 36 (suggestion for govt. subsidy for cold storage, smart prepaid for govt. connections); the commission may examine the proposal and pass appropriate order.

Further, TPSODL has already installed smart pre-paid meters in majority govt. connections and plan to achieve complete coverage within a short timeframe.

15. Para no. 37,39,40,41,42,43,44 & 45 (suggestion regarding and on levy of DPS, Pro-rata billing, smart meter installation, reconnection charges, theft of energy-assessment, suggested Disaster Resilient Corpus Fund, ToD benefit without any surcharge):

37. *MMFC/Demand Charges to consumers having less than 110 KVA to HT Medium category of consumer: It should be continued as per previous tariff orders.*
39. *The order passed by the Hon'ble Commission in present RST should not be changed. It should be continued. In this regard, the petition filed by the Petitioner is against the interest of the consumers.*
40. *Now in the consumer's bills, there is no mention of billing month, as it was in the previously. Now bills are being done some time for 45 days sometime 20 days like that in a month, which is wrong. The LT domestic and commercial consumers are suffering a lot for such irregular monthly billing which should be strictly for 30 days or (+/-) 3 days. Hence, proposals furnished by the Petitioner may not be accepted.*
41. *In this regard, Hon'ble Commission may kindly allow for replacement of all the meters of the Govt. connections available in all the block level and above with smart prepaid meters during the ensuing year. But installation of smart meters in other consumers should not without permission of the consumer. It comes to the knowledge of the respondent that after installation of smart meter, provisional bill under Section 126 of the Electricity Act 2003 has been imposed and their power supply was disconnected immediately.*
42. *It is absurd prayer of the petitioner which should not be accepted. If such reconnection charges will be increased then nobody can give guarantee that there will not be theft of energy. Moreover, if the smart meters will be provided then the question of reconnection charges will not arise. There in such bill fantastic bills are raised by taking wrong connected load. Sometime it is seen that in some cases even though consumers highest recorded KVA demand is there, instead of that bills are treated taking wrong connected load. After raising such bill, such consumers are asked to deposit 60% of such bill so that 40% of such bill will be waived. But under which provisions of Act this order has been passed by the Tata Power is not known to consumers.*
43. *It is ridiculous prayer of the petitioner which should not be accepted. To threaten the consumers, Section 135 is being applied on the consumers. This practice should be stopped as there is a provision under Section 126 of the Electricity Act, 2003 where there is an authority to adjudicate the matter. Wherein, under Section 135 there is no specific Court to adjudicate the matter to get an immediate relief. Hence, such prayer of the petitioner should not be accepted.*

44. *That for natural calamities, crores of rupees has been allotted by the Govt. of Odisha and how it is utilized is best known to everybody. Immediately after such natural calamity, DISCOMs are intimating Govt. that what is the line length of LT, HT line and nos of Sub-stations are affected, as if they have foresee of such devastation and the entire money utilized for such devastation. In this regard, the enquiry should have been made/should be made, to ascertain the truth. So, imposition of separate charge against the consumers is illegal and unjust. Such prayer should not be accepted.* 45. *TOD benefit should be extended without any ambiguity. Now against TOD incentive, TOD Surcharge is imposed, which is more than TOD incentive. So, TOD benefit should be extended without imposing any surcharge.*
TPSODL Response: In response to para 37,39,40,41,42,43,44 & 45 (suggestion regarding and on MMFC/Demand Charges to consumers having less than 110 KVA applicable to HT Medium category, levy of DPS, Pro-rata billing, smart meter installation, reconnection charges, theft of energy-assessment, suggested Disaster Resilient Corpus Fund, ToD benefit without any surcharge); we do not agree with the submission of the objector. For all the rationality for the changes proposed under the petition, it is requested the objector to kindly go through the petition. It is submitted by the petitioner that the DPS on DOM & COM category may be re-introduced to discipline the consumer and to make regular payment as a practice. Further, it is submitted by the petitioner that the pro-rata billing may be introduced to have a proper billing. The detail analysis is given in the petition.

16. Para no. 46 (revision of disputed bill for a period of more than 2 years prior to installation of a meter):

46. *As per Regulation-155 of the OERC Code, 2019 "in no case, the previous bill can be revised for more than two years prior to installation a meter". Again, as per Regulation 157 of OERC Code, 2019 " however disputed bill can be revised upto the maximum period of two years in any forum prior to the month in which disputed period of bills end". As per Regulation 30 OERC Code, 2019 "however, this facility can be avails within a period of two years from the date of initial energisation". Such Regulations is applicable only for consumers not for licensee, which are not*

conformity to any provisions of Electricity Act, 2003. Against Section 56 (2) of the Electricity Act, 2003 which limitation period is two years against the licensee. In this regard in Civil Appeal No.1672 of 2020 Hon'ble Apex Court issued a direction that limitation is from the date when such bills was raised not from past when such bill should have been raised. In such order of the Hon'ble Apex Court, a discussion has been made on Section 17 (1) (c) of Limitation Act, 1963 that in case of mistake, the limitation period begins to run from a date when the mistake is discovered for the first time. Hence, such provisions of law should also be applicable for the consumers. So it is prayed that such Regulations should be amended.
TPSODL Response: In response to para 46 (revision of disputed bill for a period of more than 2 years prior to installation of a meter); TPSODL would like request the Hon'ble Commission to kindly consider the same for benefit of the consumers.

ANNEXURE-6

TPSODL Response to Objections/Queries raised

Case No. 132/2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
NOTARY PUBLIC
Berhampur. Gm., Odisha

TPSODL

TPSODL/Regulatory/2026/23/549 (2) 27-January-26

To,
Shri. Ramesh Ch. Satapathy
(President-Upobhokta Mahasangha &
Secretary-National Institute of Indian Labour)
Plot No. 302(B), Beherasahi,
Nayapally, Bhubaneswar-751012,
Dist. Khurda, Odisha.

Sub: Case No. 132 of 2025 (ARR application of TPSODL) - Objections/Observations of Shri. Ramesh Ch. Satapathy.

Ref.: Your submission dated 16th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix.**

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

Appendix

The Para wise reply of TPSODL in respect of the objections raised by the objector is submitted.

1. Para no. 2 (Capex related information Division-wise):

2. *That, the petitioner should produce the detail particulars as per OERC (Terms & Conditions and determination of wheeling tariff & Retail Supply Tariff) Regulation,2022.*
    a) Division wise detail report on utilisation of funding on construction, maintenance & renovation of lines & S/s are constructed / renovated for the FY 2021-22 approved under CAPEX Scheme approved by OERC and list of Division wise original work under CAPEX

TPSODL Response:

The details of amount spent on construction, maintenance & renovation of lines & S/s under TPSODL as on 31st December 2025, are mentioned below.

Financial Year	Actual Capex (Rs. in Crs)
2021-22	184.56
2022-23	294.83
2023-24	387.11
2024-25	312.29
2025-26 (Dec'25)	39.02
Total till Dec'25	**1217.86**

2. Para no. 3 (seeking information on improvement in Power Supply):

3. *That, the petitioner should submit the detail particulars of 33/11 KV sub-station under ODDSP scheme & demands of the area. If the demands are more, what steps the petitioner has taken. If the demands are less, what steps the petitioner has taken. It has come to our notice. Most of the 33/11 KV S/s are not up to the standard for which ATC loss is increasing day by day. If it is a fact, what action TPSODL has taken for only power supply.*

TPSODL Response:

TPSODL is committed to provide quality power supply and better consumer services in the area of operation. TPSODL has taken many steps for improvement of supply voltage through various initiatives like augmentation of conductors, installation of new S/S, up gradation of existing S/S and Power Transformers. To cater the needs of the consumers and to overcome the low voltage pockets, TPSODL has also added additional transformers into the existing system.

Under various schemes of GoO like ODSSP, the asset addition is being taken up to improve the voltage profile which is in addition to new GRID s/s being established at OPTCL level.

In addition to the same as per the Hon'ble Commission's approved Capex schemes TPSODL has taken up new works under specific heads including projects for improving network reliability and also considering future load growth.

Network System	**As on 31st December 2025**
Length of 33 KV line (Km.)	4,944
Length of 11 KV line (Km.)	40,723
Length of LT line (Km.)	37,638
Length of LT AB Cable (Km.)	34,140
No. of Power Transformers	598
No. of Distribution Transformers	71,823

3. Para no. 4 (number of employees and their breakup):

4. *That the petitioner should produce the actual manpower of Executives, Non-executives in Erstwhile SOUTHCO & also TPSODL own regular cadre under different divisions.*

TPSODL Response:

Total no of regular manpower employed in TPSODL at the end of FY25: 2810

- Erstwhile SOUTHCO Employee: 1634 *(Executive cadre: 389 & Non-executive Cadre:1245)*
- New Employees: 1176

3. Para no. 5 (Proceeds from the Scrap Sales):

5. That the Petitioner should produce division wise details of nos. of poles & conductor of different sizes in Kms. are changed & treated as scrap materials for the FY 2024-25. The scrap, being the non-tariff income, the petitioner should produce the details before hearing of the case.

TPSODL Response:

TPSODL has submitted the of income details received from scrap sale as part of the Non-Tariff Income under ARR application for 2026-27.

4. Para no. 6 (Information on compensation beneficiaries):

6. That, the petitioner has to submit the list of beneficiary those who have paid compensation from 2020 to 2025.

TPSODL Response:

The amount of compensation paid by the licensee to the beneficiaries in case of fatal/non-fatal accidents are mentioned below.

Financial Year	Amount in Rs. Crores
2022-23	1.19
2023-24	1.34
2024-25	1.39

The compensation are being paid to the beneficiaries as per the OERC Regulations and in compliance to orders of various Statutory Authorities.

5. Para no. 7 (Deduction on EPF and Pension account):

7. That, the TPSODL has to produce the amount collected from the workers for EPF & pension now deposited in any scheme till 31/03/2024.

TPSODL Response:

The petitioner has paid equal pension benefit to all the pensionary workers, equally working in similar nature & similar cadres.

Further, all the amount collected from the workers for EPF & Pension are deposited in the pension funds which is available with Southco PF Trust and Southco Pension Trust.

6. **Para no. 8 (Security Deposit related information):**

> 8. *That, the TPSODL should produce total security deposit received from the consumers from 2000 to 2025 & the details of their deposit and additional security deposit is required as per law in force.*

TPSODL Response:

The Security deposit related information are submitted in the ARR application.Further, the Discom has submitted the Independent Auditor's Report on the Security Deposit in compliance to the directive of the Hon'ble Commission in the Tariff Order for FY 25-26.

7. **Para no. 9 (Penalty provisions):**

> 9. *That, the TPSODL has to produce under which section of OERC (Terms & Conditions and determination of wheeling tariff & Retail Supply Tariff) Regulation,2022, TPSODL has impose penalty on the consumers without any notice. The TPSODL should produce the details report division wise, how much penalty they have collected since 2021 till 2024.*

TPSODL Response:

TPSODL imposes penalties in accordance with enabling provision under the Electricity Act'2003 and OERC supply Code,2019.

The details of amount collected as penalty is submitted in P-16 format of ARR application.

8. **Para no. 10 & 11 (PM Surya Ghar beneficiary list):**

> 10. *That, the TPSODL has to produce the list of consumers those have availed benefit under PM Surya Ghar Muft Bijli Yojana.*
> 11. *That, the TPSODL has to produce the list of consumers those have availed benefit under PM Surya Ghar Muft Bijli Yojana through community Solar Scheme.*

TPSODL Response:

3,150 no. of Solar installations have been done till date under PM Surya Ghar Muft Bijli Yojana, with a cumulative capacity of 9.6 MW.

While Central Govt. subsidy has been released to 2,545 connections, the state Govt. subsidy has been released for 2,536 consumers.

The Community Solar Scheme Under PM Surya Ghar Muft Bijli Yojana is not implemented under TPSODL.

9. Para no. 13 (No of smart meters installed, number of Govt. consumers having pre-paid smart meters):

13. That, TPSODL has to produce how many Smart Meters licensee have provided to the consumers. Whether all Govt offices has already been metered through Prepaid meter.

TPSODL Response:

4,77,360 nos. of smart meter have been installed under TPSODL till 31.12.2025.

Further, while the no. of govt. consumers under TPSODL is 46,497; the no. of smart meters installed are 45,092 out of which 34,092 nos. are on pre-paid mode.

10. Para no. 14 (No. of Consumers availing supply through Meters):

14. That, TPSODL has to produce total consumers as on Dec'2024 have provided Meter or not. If not, what action TPCODL has taken.

TPSODL Response:

All the active consumers under TPSODL (22,64,348 till 31st December 2025) are provided supply through meters only.

11. Para no. 15 (Consumers availing supply through Govt. projects) :

15. That, TPSODL has to produce division wise list of consumers availing power supply through Govt funded meters and also list of defective meters of said category.

TPSODL Response:

Below is the division wise list of consumers availing power supply through Govt funded project (BGJY scheme) till date:

SL.No.	Name of the District	Name of the Division	HHs Electrified by Providing On Grid (BGJY)		
			FY 23-24 As per UC	FY 24-25 As per UC	FY 25-26 As per Invoice Passed /Processed/Pending
1	BOUDH	BOED	0	199	135
2	KANDHAMAL	PED	0	326	880
3	GAJAPATI	PKED	0	226	118
4	KORAPUT	KED	0	539	627
		JED	432	723	122
5	MALKANGIRI	MED	60	810	660
6	NABARANGPUR	NED	1914	3590	3108
7	RAYAGADA	RED	1348	1742	948
		GED	1575	662	207
8	GANJAM	BED-I	0	0	
		BED-II	0	0	
		BED-III	0	0	
		GNED	0	17	
		PSED	0	1	
		HED	0	2	
		AED-I	0	0	
		AED-II	0	130	26
		GSED	25	96	151
		BNED	0	54	84
9	PURI	GNED (Krushnaprasad Block)	0	37	
			5354	**9154**	**7066**

ANNEXURE-7

TPSODL Response to Objections/Queries raised

Case No. 132 & 133 /2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
Minati Rath
NOTARY PUBLIC
Berhampur. Gm., Odisha

TP SOUTHERN ODISHA DISTRIBUTION LTD. BERHAMPUR

TPSODL

TPSODL/Regulatory/2026/16/542 (2) 27-January-26

To,
Shri, Manoranjan Routray, Advocate,
Trinath Temple Street,
PO/PS/Dist: Koraput
Odisha – 764020.

Sub: Case No. 132 & 133 of 2025 (ARR & Truing up application of TPSODL) – Objections/Observations of Shri Manoranjan Routray.

Ref.: Your submission dated 13th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

Appendix

The para wise clarification to the objection raised by the objector is as below.

1. Para no. 1 (Observations related to proposed employee cost, R&M cost and A&G Expenditure, Power Outages, MBC Cost):

1. *The ARR of all discoms proposes an exuberant in expenditure in employees' cost, Repair & maintenance cost and A&G expenditure which is double then the last year approved expenditure. Further power outrages have gone up after TATA power taken over the company. If the gap proposed by the all Discoms is allowed it will increase the cost of unit by Rs 1.00 per unit. The meter reading and billing cost per consumer per month comes to around Rs 45 which is very high and needs a prudent check.*

TPSODL Response:

It is submitted that, the details of the petitioner's proposed expenditures are submitted as part of the ARR application along with the proper justification supported by relevant annexures. The above-mentioned expenditures are necessary to provide reliable and efficient service to the consumers as well as comply with the conditions set in the Hon'ble Commission's vesting order vide Case no-83/2020.

2. Para no. 2 (Observations related to DPS, Provisional billing etc.):

2. *The present rate of interest on fixed deposits around 6% but the consumer is charged 18% in the corona year for non payment of bills Further the bills of consumers are not served and generated on provisional but same time rebate are not passed on to the consumer when the actual bill is generated.*

TPSODL response:

Delay payment surcharge had been claimed as per rate approved by the Commission, i.e. 1% per month or say 12% per annum for domestic and LT Commercial Consumer.

Further, it may be submitted that the intention of licensee is not to earn profit from Delay Payment Surcharge (DPS). Rather the Discoms prefer receiving on time payment from its Consumer to be able to pay its bulk power purchase cost and meet other expenses related to day to day operation. The DPS acts as the deterrent, and further motivates the consumer to pay its electricity bill in time. The licensee also allows all eligible rebate entitled by a Consumer by virtue of prevailing Retail Supply Tariff order.

TPSODL would like to submit that the Hon'ble Commission has allowed digital rebate of 4% for LT Domestic and GP single phase customers. Further, to improve the accessibility of payment modes, the licensee has engaged various service providers for easy payment option to the consumers for payment of Energy Bills through offline/online mode. Also, in addition to the above the following rebates are applicable to the Odisha consumers:

a) LT Domestic, LT General Purpose and HT Bulk Supply (Domestic) consumers will get 10 paise/unit rebate for prompt payment of the bill within due date.

b) The rural LT domestic consumers who draw their power through correct meter and pay the bill in time shall get rebate of 10 paise per unit over and above other existing rebate for prompt payment.

c) 4% Rebate to all pre-paid consumers on pre-paid amount.

d) A Special rebate to the LT single phase consumers in addition to any other rebate, he is otherwise eligible, shall be allowed at the end of the financial year (the bill for the month of March), if he has paid the bill for all the 12 months of the financial year consistently without fail within due date during the relevant financial year. The amount of rebate shall be equal to the rebate of the month of March for timely payment of bill.

e) Additional Rebate of Rs.10/ - p.m. if opted E-Bill.

f) The Commercial & Industrial Consumers and Consumers provided with smart meters having MD >10KW are eligible to get a ToD rebate of 20 paise/unit on Energy Charge during Solar Hours. The above Consumers shall pay a ToD surcharge of 30 paise/unit during Peak Hours. The ToD rebate and surcharge shall not be applicable during Normal Hours.

It is further submitted that the petitioner, is strictly bound by the Regulations/ Guidelines framed by the Hon'ble Commission in line with the Electricity Act, 2003.

Further, it may be intimated that since FY 2023-24, DPS has been abolished for DPS on LT Domestic, LT General Purpose and HT Bulk Supply Domestic Consumers.

3. Para no. 3 (Observations related to disconnection of supply without notice):

3. In addition to above DISCOMS are disconnecting the power supply without proper notice the same should be stopped immediately. The consumers with smart meters are disconnected without proper notice violating OERC directives.

TPSODL response:

It is submitted that the consumers' power supply is being disconnected after proper notice and prolonged default, in accordance with Regulation 172 of the OERC Distribution (Conditions of Supply) Code, 2019 as per Section 56 of the Electricity Act, 2003. Therefore, the allegation is not true and appropriate.

4. Para no. 4 (suggestion related to benefits of Capex Plan):

4. The Discoms must give detail financial benefits derived from the Capex plan on account of loss reduction and its impact on tariff. The interest impact of such unchecked capex plan around 700 Cr. This needs an attention immediately

TPSODL response:

It is submitted that the detailed of the proposed Capital Investment Plan for FY2026-27 has already been submitted by the petitioner and same has been registered case no. 78 of 2025 by the Hon'ble Commission. The hearing has been completed and currently, the case is reserved for Order.

We would like to submit that, the benefits of the Capex plan includes increased supply reliability, reduction of AT&C loss, better consumer satisfaction; which have been mentioned in the Capex petition.

5. Para no. 5 (Observation related to higher A&G cost proposed):

5. All the companies has proposed exuberant rise in A&G expenses which need to be scrutinised by the commission as the people of the southern state deprived of livelihood due to corona.

TPSODL response:

We would like to inform that; the increased level of consumer satisfaction is evident due to various initiatives undertaken by the Discom for meeting the consumer expectations related to timely billing, increased number of payment avenues; which is ultimately resulting in higher actual billing efficiency thereby reducing the billing related errors.

These initiatives have necessitated initial costs, while the benefits are being accrued to all the stakeholders. Further, the Hon'ble Commission has observed in the RST Order for FY 2025-26 as under -

197. As per OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, A&G expenses are to be escalated by 7% over the expenses for the previous year of the control period. The A&G expense shall be allowed on normative basis in the ARR for the ensuing year and shall be subject to true up. The Commission analysed the A&G expenses submitted by DISCOMs and approves A&G expenditure for FY 2025-26 by escalating the A&G expenses by 7% approved over the expenses for FY 2024-25. The Commission has also analysed the AT&C loss achieved by the respective DISCOMs and observed that the trend is downward which is a good indicator of performance of DISCOMs.

6. Para no. 6 (suggestion related to Security Deposit):

6. *The Interest on security deposit may be increased 7% as is too low and company is enjoying 7.5% interest on the security deposit lying with company.*

TPSODL response:

It may be submitted that, the Security Deposit is paid by a Consumer as per Regulation 52 of the Supply Code, 2019. This amount is an advance payment to the Distribution Licensee to cover the electricity charges of a Consumer for about two months (based on load factor for different categories of Consumers). The Distribution Licensee pays interest on Security Deposit to the Consumers at Bank Rate (RBI Bank Rate as on 1st April of the relevant year).

Further, as per the para 213 of the RST Order for FY25-26:-

> *The OERC Distribution (Conditions of Supply Code), 2019 provides for the payment of Interest on Security Deposit to be allowed by the Commission. Para 57(i) of the Supply Code provides that 'The Licensee/supplier shall pay interest on security deposit to the consumer, at the bank rate (RBI Bank Rate as on 1st April of the relevant year)'. The prevailing bank rate considered is 6.50% per annum (latest data taken on 23rd March 2025). The Commission, accordingly,*

allows the interest at the rate of 6.50% on the proposed closing balance on Consumer's Security Deposit as on 31.3.2025.

TPSODL has calculated the interest on security deposit @ 6.50% on the closing balance of security deposit amount for FY 2025-26.

7. **Para no. 7 & 8 (suggestion related to provision of installment on Security Deposit, extension of digital rebate to other category of consumers than Dom & Com category):**

7. The consumers may be given instalment facility at least 3 to deposit security deposit to restart the industry.

8. Unlike domestic and commercial consumers other consumers may be provided with suitable digital rebate.

TPSODL response:

TPSODL would like to express its disagreement with the proposal of the petitioner on para no. 7. It may be intimated that, the Security Deposit act as the advance which is charged in accordance with the OERC Supply Code 2019 provisions and the consumers earn the interest on such deposit.

Currently, 4% Rebate is allowed to all pre-paid consumers on pre-paid amount. Also, the Hon'ble Commission has allowed additional Rebate of Rs.10/ - p.m. if opted E-Bill.

8. **Para no. 9,10, 11,12 & 13 (suggestions related to waiver of meter rent, tariff hike, treatment of Tax of RoE, Employee cost, A&G cost, passing of non-tariff income in full to the consumers, scrutiny of expenses):**

9. The company has plan to install meter why the poor consumers of ODISHA will bear the capital cost or meter rent. The cost must be bear by the GOVT or Discoms.

10. There should be no tariff hike.

11. The true up exercises of past years must be actual and as per parameter approved by tariff and regulation but it is observed that same is claimed in normative basis taking up efficiency gain in misleading manner. Further every company paid income tax due to profit. Some are claimed in distribution expenses. If the effective *tax rate is 25% the profit arrived as per profit & loss account may be passed on to the consumer as surplus. The Tax on return on equity may not be considered as it has to be paid out of their return on capital as every income tax payer is paying on their income. Passing the same to the consumer is not acceptable. Further the DERC has fixed return on equity as 10% which much below the return on equity fixed as per regulation. The unchecked employee cost as well as unproductive expenditure on A&G may not be allowed as consumer is paying heavy price without any efficiency gain. Further The non-tariff income such as rebate to the consumer, Supervision charges, over drawl penalty & DPS should be passed on the consumer in full instead of 113rd proposed by all Discoms. The expenditure may be scrutinised in respect of actual as well as provisions booked on different heads.*

12. *The non-tariff income such as rebate to the consumer, Supervision charges, over drawl penalty & DPS should be passed on the consumer in*

13. *The current year revenue gap proposed by licence has to be examined. The income tax and tax on equity has not separately shown in the proposed gap. So, the surplus will be more than proposed. The profit as per P/c has to be examined with proposed tariff.*

TPSODL response:

It may be submitted that, TPSODL had submitted a petition with the Hon'ble Commission for waiver of smart meter rent vide case no 102 of 2024, which was disposed of by the Commission during the tariff proceedings for FY 25-26, wherein the Hon'ble Commission directed the waiver of smart meter rent for the Consumers upto 2 kW.
The Discoms are submitting the monthly status report on the Smart meter installation to the Energy Dept. for their review.

It may also be submitted that, the matter regarding no tariff hike is prerogative of the Hon'ble Commission.

The Petitioner would like to submit that, all the submission made under the True up applications are based on the Audited reports and in accordance with the provisions of the OERC Tariff Regulation, 2022.

We would like to submit that; the above submission is subject to the prudence check of the Hon'ble Commission.

The revenue deficit is projected by TPSODL after proper scrutiny and as per prevalent regulatory provisions.

9. **Para no. 14 & 15 (Objections related to the Revenue gap proposed by the Discom, DPS on Domestic and GP category, Pro-rate billing proposal):**

14. We do not agree with huge deficit projected by TPSODL and other discoms. They must the run the business effectively to achive breakeven. Even after five years they go on projecting defecit.

15. We do not agree with levy of DPS to domestic and GP consumers as proposed by all the licensee as all know the reason of withdrawal of the same. We feel that poor consumers should not be burden with levy of DPS.

TPSODL response:

The revenue deficit is projected by TPSODL after proper scrutiny and as per prevalent regulatory provisions.

The DPS proposal has been made for specific categories after observing the pattern of payment by them and to act as a deterrent measure only.

10. **Point no. 16 & 17 (Objections related to Smart meter funding, increase in LF applicable under penalty u/s 126):**

16. In case of their discoms across India the smart meter project is funded by Govt. of India as well as IPDS plan. However, in IPDS project is not taken as per plan directive of Govt of India. Further there is no clarity regarding consumer who have purchased meter at their own cost and cost of assets created on govt scheme goes to waste and discoms claim R & M 3% on funded assets. So, we don't find positive to the smart meter plan od discoms funded in capex where the burden will pass on the consumer.

17. We object to the proposal of penalty as per Sec (126) increasing the load factor which is exploitation of consumer.

Further in case of publication of SOP for policy changes the licensee should have consider for vetting of same by Govt and other statutory authorities.

TPSODL response:

In response to point no. 16 we do not agree with the submission of the petitioner.

In response to point no. 17, It is submitted that all the activities of the Discom are being performed in accordance with relevant provisions of the OERC Distribution (Conditions of Supply) Code, 2019 and the Electricity Act, 2003.

It may be submitted that, TPSODL had submitted a petition with the Hon'ble Commission for waiver of smart meter rent vide case no 102 of 2024, which was disposed of by the Commission during the tariff proceedings for FY 25-26, wherein the Hon'ble Commission directed the waiver of smart meter rent for the Consumers upto 2 kW.

The Discoms are submitting the monthly status report on the Smart meter installation to the Energy Dept. for their review.

Further, as per the directive issued by the Hon'ble Commission, all the new smart meters are operating on Post-Paid mode by default, unless the consumer opts for the pre-paid mode.

ANNEXURE-8

TPSODL Response to Objections/Queries raised

Case No. 132, 134 & 135 /2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
NOTARY PUBLIC
Berhampur, Gm., Odisha

TP SOUTHERN ODISHA DISTRIBUTION LTD. BERHAMPUR

TPSODL

TPSODL/Regulatory/2026/21/547 (2)

27-January-26

To,
M/s. Power Tech Consultants
Corporate Office at K-8-82,
Kalinganagar, Ghatikia,
Bhubaneswar-751029

Sub: Case No. 132,134 & 135 of 2025 (ARR, HT/EHT/LT Open Access applications of TPSODL) – Objections/Observations of M/s. Power Tech Consultants

Ref.: Your submission dated 13th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix.**

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

Appendix

1. That, TPSODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2026-27 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004.

   Reply to the points raised by the Ld. Objector are furnish hereunder.

2. **Para no. 3 (Employee Expenses):**

The TPSODL has projected Employee Cost expenditure at Rs. ***619.39*** *Crores for FY 2026-27 against Rs.* ***546.91*** *Crores as approved by the Hon'ble Commission to be spent during FY 2025-26.*

The total manpower cost and total manpower deployed needs to be assessed by considering the regular and outsourced manpower. Even the metering, billing and collection activities and expenses there of should be considered under employee cost and not under Administrative & general Expenditure cost

The ratio of employee per 1000 consumers should be written the limit specified by the Hon'ble OERC (i.e. 1.40) considering total regular and outsourced manpower and the manpower involved in metering, billing and collection activities.

Therefore, the employee cost proposed by all the four DISCOMs for FY2026-27 may kindly be approved after prudence check by the Hon'ble Commission.

TPSODL Response:

The licensee has estimated the employee expenses for the ensuing financial year basing on the actual employee cost for the first six months of the current financial year. The various factors considered for estimating the employee cost have been elaborated in the application of the licensee.

It may be submitted that, TPSODL has filed the details of the no of employees and the other relevant details as per the prescribed format as a part of the ARR petition for FY 2026-27. To keep the manpower cost optimized, TPSODL has recruited majorly trainees - Graduate Engineer Trainees, Diploma Engineer Trainees, Commercial Trainees (general Graduates). Same philosophy has been extended to the ensuing year 2026-27.

That, the effective manpower per 1,000 consumer ratio works out to be 1.32 for FY 2026-27 with an active consumer base of 23.10 lacs. It is evident that the licensee is managing the operations within a vast geographical area with one of the lowest employees to consumers ratio.

That, the effective manpower per 1,000 consumer ratio works out to be 1.32 for FY 2026-27 with an active consumer base of 23.10 lacs. It is evident that the licensee is managing the operations within a vast geographical area with one of the lowest employees to consumers ratio.

The details of manpower position along with year wise recruitment and retirement/attritions have been furnished before Hon'ble Commission for kind perusal.

Further, the organization has undertaken a comprehensive optimization and strategic redeployment of the inherited outsource and contractual workforce across multiple functional domains and geographical locations. This systematic process has facilitated the identification of operational gaps, service delivery shortcomings, and efficiency improvement opportunities. The insights gained from this redeployment exercise have proven instrumental in formulating an enhanced and optimized Manpower Recruitment and Deployment Policy for future organizational expansion and operational excellence.

That, based on the above, the licensee has requested the Hon'ble Commission to consider the projected Outsource and Contractual employees Cost of Rs 132.71 Cr for FY 2026-27.

In view of the above, it is proposed before Hon'ble Commission to approve the proposed employee cost of Rs. 584.02 Crs (net) for the ensuing financial year FY 2026-27.

3. Para no. 4 (Administrative and General Expenses):

The TPSODL has projected Administrative and General (A&G) expenditure at ***Rs. 177.29 Crs*** *for FY 2026-27 against Rs. 128.98 Crs as approved by the Hon'ble Commission to be spent during FY 2025-26.*

Respondent's view /suggestion: Hon'ble Commission may conduct a prudence check regarding A&G cost for each year. We submit that the Hon'ble Commission may allow a 7% increase in the earlier approved A&G Expenses for FY 2026-27 or actual A&G Expenses or whichever is lower.

TPSODL Response:

As per the terms of Tariff Regulation, 2022 Hon'ble Commission approves the A&G expenditure of the Licensee wherein the provision of escalation of 7% hike over previous year approval along with additional expenses (subject to prudence check) towards improvement in performance for special measures to be undertaken are permitted.

TPSODL in its ARR petition for FY 26-27 had prayed that the Hon'ble Commission approve the proposed A&G expenses for FY 26-27, considering historical trends, the prevailing inflation scenario, and the Licensee's additional requirements in a prudent manner.

Billing and collection expenses are generally classified as controllable. A portion of these expenses is influenced by factors beyond the direct control of DISCOM, including statutory revisions in wages and labor-related costs, expansion of the consumer base, enhanced service quality and consumer protection obligations, deployment of advanced metering and digital billing systems, strengthening of cyber security & IT infrastructure, and overall inflationary trends. Further, measures undertaken to improve billing efficiency, strengthen collection efficiency, reduce AT&C losses and enhance consumer grievance redressal may entail incremental expenditure in the initial years, even though they contribute to sustained operational efficiency and long-term cost optimization. TPSODL therefore submits that reasonably incurred increases in billing and collection expenses, undertaken in the interest of reliable, transparent and consumer-centric distribution services, merit due consideration by the Hon'ble Commission.

4. Para no. 5 (Depreciation Cost):

That the TPSODL has projected depreciation expenditure at ***Rs. 136.2 Crore*** *for FY 2026- 27 against Rs. 105.05 Crore as approved by the Hon'ble Commission to be spent during FY 2025-26.*

Respondent's view /suggestion: Depreciation should not be allowed to be recovered on assets created out of Govt. grants irrespective of whether the corresponding grant is transferred to the distribution licensee or not. The depreciation cost proposed by TPSODL for FY 2025-26.

TPSODL Response:

Section 3.8 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations,2022 stipulates the method of calculation of depreciation. In line with the provisions of the regulation, the depreciation calculation has been done and the details have been submitted in the application of the licensee which may please be referred.

Further, the Discom has also provided list of assets created by various State and Central Govt. agencies under various schemes for review of the Hon'ble Commission.

5. Para no. 7: Repair and Maintenance (R&M) Expenses :

Respondent's view /suggestion: That the TPSODL has projected Repair and Maintenance Expenses at ***Rs. 232 Crs*** *for FY 2026-27 against Rs. 166.15 Crs as approved by the Hon'ble Commission to be spent during FY 2025-26.*

TPSODL Response:

Based on the learning from last 5 years of stabilised operation, TPSODL had further optimised the comprehensive AMCs along with the manpower deployment structure for all six circles for operation and maintenance of 33KV, 11KV & LT assets to create a culture of preventive maintenance. The Performance Based Maintenance Contract also includes 24X7 Breakdowns Crews for restoration of 33KV & 11KV feeders and substation equipment. Besides, preventive maintenance activities are being performed as per the maintenance plan using the SAP PM system.

The network is being inspected regularly through manual patrolling as well as drone inspection in forest and inaccessible areas. Thermo-scanning is done for the entire network using high power thermo scanning cameras and to identify the defects, hotspots and attend breakdowns in quick time and perform preventive maintenance activities to enhance system reliability by rectifying the probable faults even before they occur.

It may be submitted that, the Petitioner has already shared the below documents to the Hon'ble Commission for further review and prudence check –

(i) Fixed Asset Register (FAR) for FY 2021-22, FY 2022-23, FY 2023-24 and FY 2024-25.

(ii) statement of assets created out of Government funding and assets transferred by GRIDCO in the form of kind for equity contribution (from the date of vesting)

(iii) detailed statement of the assets discarded/retired due to attainment of 90% of depreciation year-wise.

(iv) detailed statement of the assets still in use and continue to be in gross fixed asset after attainment of 90% depreciation till date.

Further, the Discom has also provided list of assets created by various State and Central Govt. agencies under various schemes for review of the Hon'ble Commission.

6. **Para no. 8: Revenue Requirement:**

That the TPSODL has given the proposal for an annual revenue requirement of Rs. 2534.49 Crore for FY 2026-27 against Rs. 2208.57 Crore as approved by the Hon'ble Commission to be spent during FY 2025-26.

TPSODL Response:

The licensee has projected the Revenue Requirement of Rs.2534.49 Crs. projecting each of cost component observing the norms fixed by Hon'ble Commission in the Tariff Regulation, detailed break-up and justification of each has been furnished in the ARR application of the licensee.

7. **Para no. 9: Industrial Tariff for EHT Consumer:**

Respondent's view /suggestion: Industrial Tariff for EHT Consumers-Although EHT loads are contributing significantly to overall reduction of AT&C losses and stability of GRID, the tariff for EHT loads are increasing year over year.

TPSODL Response:

The Hon'ble Commission introduced kVAh based billing in the Tariff order for the FY 2021-22 which became effective from 04.04.2021. The Hon'ble Commission introduced KVAh billing as it is having the inherent mechanism to incentivize /penalize the consumers according to their power factor. The prime objective of the Commission for introduction of kVAh billing was to encourage the consumers to maintain near unity power factor, to achieve loss reduction, improve system stability, power quality and improve voltage profile.

The licensee has also proposed a number of rationalisation measures for EHT/HT industrial consumers in its ARR applications on year on year basis.

8. **Para no. 10: Distribution Loss:**

Respondent's view /suggestion: Distribution loss – DISCOMs have themselves admitted that the distribution loss at 33KV and 11KV has been reduced to 3.5% to 4.5%. Hence, Hon'ble

OERC should consider normative HT loss at 3%.

TPSODL Response:

TPSODL has achieved 100% metering coverage at key points of the distribution network, like all 33 kV feeders, 256 incomer feeders at 33 kV Primary Substations (PSS) and all 11KV feeders.

TPSODL also aims to identify actual losses at the 11kV feeder level by comparing feeder input energy with the aggregated energy measured through DT meters. Accurate computation of 11 kV losses requires DT metering at all transformers connected to the feeder. As complete DT metering is yet to be achieved, precise computation of 11 kV feeder losses based on metered data is presently not feasible. The current Technical loss is based on load flow simulation study conducted on 11 kV network using CYME software, based on certain assumptions which are generally used for undertaking such studies. The actual loss may vary since the network in reality would have many differences like aging of equipment especially that of Transformer, joints in network etc. In the study the network model is considered based on Technical parameters of new equipment as such effects cannot be factored.

In view of the above, TPSODL respectfully submits that the Hon'ble Commission may continue to consider the normative HT loss of 8% for tariff and regulatory purposes.

9. Para no. 13: Need for consumer category Provision for Mega steel Plant:

Respondent's view /suggestion: Need for slab based tariff for Mega steel Plant consumer

TPSODL Response:

As suggested by the Ld objector, incentive cannot be offered on more than 20% load factor, as the very motive of load factor incentive is to encourage higher drawl from the licensee, so that optimum utilisation of the corridor reserved for the required quantum can be done and at the same time revenue as projected by the licensee can be met.

Further, all the industrial consumers drawing power at EHT level are allowed a rebate of 20 paise per unit (KVAh) for all units consumed in excess of 80% load factor.

10. Para no. 14: Respondent's view /suggestion: Proposal for load factor Rebate

Respondent's view /suggestion on Proposal for load factor Rebate

TPSODL Response:

In ARR application for FY 2026-27, in Tariff rationalisation measures para-7.5 suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

11. Para no. 15, 16 & 17: Open Access and Other Related Issues

Respondent's view /suggestion: Open Access and Other Related Issues

- *(i) No CSS during major breakdown*
- *(ii) DISCOM should not mandate an annual tentative drawl plan*
- *(iii) Open Access should not be limited to Contract Demand*
- *(iv) CSS to be limited within 20% of the applicable tariff*

TPSODL Response:

In response to the contentions made by the Ld. objector, the following may be clarified –

(i) during major breakdown The open access consumers embedded in the distribution system will not be able to avail power supply through open access also, as the power evacuating corridor will be under breakdown. Only the open access consumer who is availing power supply through a dedicated line from its own CGP can avail power during major breakdown of the network of distribution licensee, however, such cases are not entitled for levy of CSS.

(ii) DISCOM is mandated under Licence condition and also under OERC (Framework for Resource Adequacy) Regulation, 2024 to prepare and submit short term, medium term and Long-Term load forecasting which plays the most crucial role in planning power procurement and system network adequacy as well.
As the open access consumer is an embedded consumer of the distribution licensee, the annual drawl plan of the consumer is an inseparable part of the licensee's drawl plan and hence cannot be dispensed with.

(iii) In case of an open access consumer drawing open access power through the common network of the distribution licensee, the network loading and adequacy is accessed and planned majorly based on the contract demand of the connected consumers as it indicates its reserved entitlement irrespective of its drawl.

(iv) As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within +20% of the ACoS. If table no. 36 of the RST Order FY 25-26 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within +20%/ of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

The computed cross subsidy surcharge for DISCOMs have been given in table -38 of para 156 of RST order FY 25-26. In view of the mandate of Electricity Act'2003 under section 42, the cross-subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-38 of RST order is reproduced hereunder:

Table – 38

Computed Surcharge for Open Access for Consumer 1MW and above for FY 2025-26 (paise/unit)

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	231.40	186.40	161.40	356.40
Surcharge for HT Consumer	106.23	3.45	28.18	170.58

However, the approved charges for FY 26 as given under table 39 are done at 70% of the computed values. The table no. 39 is reproduced hereunder:

Table – 39

Leviable Cross Subsidy Surcharge, Wheeling Charge and Transmission Charge for Open Access Consumer(s) of 1MW and above for FY2025-26

Name of the licensee	Cross Subsidy Surcharge (P/U)		Wheeling Charge P/U applicable to HT Consumers only	Transmission Charges for Open Access Customer (applicable for HT & EHT Consumers)
	EHT	HT		
TPCODL	161.98	74.36	102.55	The Open Access customer availing Open Access shall pay Rs.6120/MW-day (Rs.255/MWh) as transmission charges.
TPNODL	130.48	2.41	156.41	
TPWODL	112.98	19.73	104.51	
TPSODL	249.48	119.41	174.06	

12. Para no. 18 & 19: Re-introduction of Delayed Payment Surcharges (DPS)

Respondent's view /suggestion on Re-introduction of Delayed Payment Surcharge.

TPSODL Response:

The observation of Hon'ble Commission for with drawl of this DPS provision was the levy of DPS will act as a hurdle for small consumers in resolving their billing dispute and the revenue impact is also not substantial.

However, it will be pertinent to mention here that the DPS provision will persuade the small consumers to pay in time and take the benefit of the Rebate applicable. It will inspire the culture of payment within due date. The aim of the licensee is not to levy DPS to those small consumers, but to regulate their payment habit with imposition of a deterrent. Without any deterrent, there is no binding on such consumers to pay the electricity bill in time.

13. Para no. 22 & 23: Privatization, Performance of DISCOMs and Quality of Power Supply.

Respondent's view /suggestion: DISCOM should present a detailed sales estimate for each consumer classification to Hon'ble OERC for approval. DISCOM has only provided voltage-wise sales which violates Regulation 5.3.4 of OERC Wheeling &RST Regulations, 2022.

TPSODL Response:

The learned objector is requested to refer to the details given in ARR application Format T-1, wherein the voltage wise, category wise -number of consumers, consumption and load for the previous financial year, for first six months of the current financial year and the projection for the ensuing financial year has been furnished along with the corresponding loss levels and the total power input requirement.

Under T2 and T3, for domestic and commercial category of consumers, load wise slab wise actual consumption for the previous financial year and first six months of the current financial years are furnished. Under T5, load-wise consumption details of Irrigation & Agricultural Consumers, Allied Agricultural Activities & Allied Agro-Industrial Activities consumers have been furnished.

Under T9, month-wise consumption of EHT /HT consumers with load more than 1MVA has been furnished in addition to that details upto January also submitted before Hon'ble Commission.

Under performance format P8, month-wise details of Maximum demand individual consumer-wise for consumers with load more than 110KVA have been furnished.

Under, Performance Format P9, consumer-wise month wise consumption details for load more than 110KVA have been furnished for the previous financial year as well as for the first six months of the current financial year. Consumer wise details as required under the ARR Tariff as well as Performance formats is possible only because the licensee maintains robust database of all consumers with desired particulars in adherence to the provisions of Regulation 5.3.4 of OERC Tariff Regulation,2022.

Thus, the Licensee complies to the relevant provision of OERC Wheeling &RST Regulations, 2022.

14. Para no. 25: Distribution Loss Trajectory

Respondent's view /suggestion: In 2019-20, when distribution licensee were not privatised, the distribution losses were 23.12% (TPCODL), 13.19% (TPNODL), 18.73% (TPWODL) and 23.07% (TPSODL). However, after spending huge CAPEX and OPEX, the distribution loss of Tata Power DISCOMs is not able to match the level of earlier utilities.

TPSODL Response:

In response to the point raised by the Ld. Objector, it is pertinent to mention here that, after taking over the distribution business, large numbers of untraceable consumers were taken out from the active directory of billing database, on physical site verification, whose billing was continuing for years without any actual whereabouts of those consumers. Further, it will not be out of place to mention here that, by Q3,FY25-26, the provisional billing and average billing percentage have been brought down to less than 2%. The licensee has also implemented OCR based meter reading technology, wherein by the help of Integrated Mobile application, the meter reading is auto scanned to eliminate reading errors / table readings. The T&D loss level in TPSODL jurisdiction is 23.36% in FY 24-25.

Vesting order of the utility was issued by Hon'ble Commission after hearing the parties namely SOUTHCO Utility, TPCL, GRIDCO, OPTCL and Government of Odisha. Government of Odisha is the elected representation of the peoples of the State and hence the representation of interest of the peoples of the state has already been taken into consideration. On receiving request from SOUTHCO Power Engineers Association for implement also, Hon'ble Commission allowed the intervener to take part in the proceeding. None other parties has prayed before Hon'ble Commission for implement in the matter at that time. The Vesting order was pronounced on 28.12.2020 in Case No-83/2020. However, no review petition was filed before Hon'ble Commission on any of its provisions neither it was challenged and hence it has attended its finality.

In the Vesting order of TPSODL, Hon'ble Commission has mentioned the AT&C loss reduction trajectory (commitment by the licensee) from 35.29% to 14.80% in first ten years of operation, that is reduction target of 20.49%.

In first five years of operation, the licensee has been able to reduce the AT&C loss to 20.82%, thereby reducing the AT&C loss level by 14.47%, which is a significant achievement.

Further, this will not be out of place to mention here that, TPSODL has been ranked at 35th Best DISCOM in the 14th Annual Integrated Rating & Ranking by Ministry of Power among participating State and Private Distribution utilities.

15. Para no. 27, 28 & 29: Net Metering, Gross-Net Metering and other schemes related issues

Respondent's view /suggestion: Net Metering, Gross-Net Metering and other schemes related issues-MSME and commercial consumers may be permitted to install solar and other renewable projects under Net metering and GNM models through ESCO route.

TPSODL Response:

The suggestion of the Ld. Objector does not pertain to the ARR application of the licensee.

16. Para no. 33, 34, 35 & 36: Rebate related provisions

Respondent's view /suggestion on Rebate related issues

TPSODL Response:

i. In the FY 2024-25 in average 3,68,707 numbers of consumers per month have availed 4% digital rebate.

ii. The detail of consumer availing e-bill facility in the FY 2024-25 & FY 2025-26 is furnished in below table:

No. of Consumers Availing e-bill Facility in the FY 2024-25 & FY 2025-26	
Year	**Nos of Consumer**
FY 2024-25	14
FY 2025-26 upto Dec-25	38,587

iii. In ARR application for FY 2026-27, in Tariff rationalisation measures para-7.21 suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

17. Para no. 37, 38 & 39: Summary of Interim Proposal approved vide order dated 22.07.2025-

Respondent's view /suggestion: Summary of Interim Proposal approved vide order dated 22.07.2025-

(i) *The details of consumers availed power supply under the scheme to be submitted by DISCOMs*

(ii) *Special tariff of Rs. 4.30 per kVAh should be extended to all types of industries, with or without CGP, without any condition of assured consumption or linkage to load factor*

TPSODL Response:

i. As correctly cited by the Ld. Objector, Hon'ble Commission had directed GRIDCO/DISCOMs to submit an efficacy report after two months, based on which Hon'ble Commission may revisit the scheme. If the Ld. objector will refer to the interim direction given by Hon'ble Commission in the matter on 14.10.2025 after hearing the matter, Hon'ble Commission had directed GRIDCO/DISCOMs to furnish detailed report and the licensee has submitted before Hon'ble Commission month wise consumer wise details.

ii. The Ld. Objector will agree that there is a methodology in which the tariff applicable for a particular category is decided. Hon'ble Commission decides the tariff applicable examining all aspects.

18. Para no. 40: Load Factor Incentives

Respondent's view /suggestion on Additional Load factor Incentive

TPSODL Response:

In ARR application for FY 2026-27, in Tariff rationalisation measures para- 7.5 suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

19. Para no. 41: ToD Benefit & Surcharge

Respondent's view /suggestion: ToD Benefit & Surcharge

TPSODL Response:

ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kW and with smart meters except consumer under Agriculture tariff. The eligible consumers will get a ToD rebate @20Paise per unit for energy consumed during solar hours and a surcharge of 30 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak to no-peak/solar hours. To encourage balancing of drawl, the licensee has proposed to increase ToD surcharge which will dissuade the consumers from drawing in peak hours.

20. Para no. 42 & 43: Re-connection and Service connection charges related issues

Respondent's view /suggestion on Revision of Reconnection charges with penalty clause.

TPSODL Response:

TPSODL has taken number of measures to bring in cutting edge technology and micro SCADA has already been implemented. The licensee has made significant progress in installation of pre-paid mode smart meters, but yet to operate them in pre-paid mode with auto disconnection facility.
It will take substantial time to reach the stage of doing remote disconnection to all the consumers. This reconnection charge also acts as a deterrent in the process, along with covering the man hour and other ancillary charges for physical reconnection of power supply.

21. Para no. 44 : Special Tariff for reopening and starting industries

Respondent's view /suggestion on Special Tariff for reopening and starting industries

TPSODL Response:

The Licensee has already proposed the special rebate for closed unit who want to reopen their unit in ARR application submission for FY 2025-26 after a detail analysis and thorough study. The Hon'ble Commission in its RST order for FY 2025-26 given its direction in para-134, the licensee is in adherence to the order given by the Hon'ble Commission.

22. Para no. 45 to 50: Contract Demand related issues

Respondent's view /suggestion on Contract Demand related issues

TPSODL Response:

It is pertinent to mention here that the entire operating cost of DISCOMs such as R&M, A&G, employee cost, depreciation, financing cost, ROE are almost fixed in nature. In ideal scenario, fixed cost of Distribution Company should be recovered through demand charges/monthly minimum fixed charges levied based on sanctioned load/contract demand or maximum demand of the consumer whichever is higher. In the current tariff structure, the DISCOMs are recovering hardly within 10% of their total fixed cost through fixed charges, whereas in other states these percentile is between 15-20%. Hence, any reduction in demand charge will adversely affect the revenue structure.

The licence is following the OERC issued regulation issued by the Hon'ble Commission scrupulously. In ARR application for FY 2026-27, in Tariff rationalisation measures suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

23. Para no. 51: Allocation of Green Power to industries having CGP through GTP mechanism

Respondent's view /suggestion on Allocation of Green Power to industries having CGP through GTP mechanism

TPSODL Response:

In ARR application submission of FY 2026-27, under para no. 7.8 of Tariff rationalisation measures, well elaborated suggestion with justifications has been made, which may please be referred.

24. Para no. 53: Green Tariff for Sale of Renewable Power through DISCOMS

Respondent's view /suggestion on Green Tariff for Sale of Renewable Power through DISCOMS

TPSODL Response:

TPSODL has proposed in the ARR application 2026-27 that, the Hon'ble Commission may determine a separate Green Tariff applicable for renewable-energy sales under this scheme as per clause 3 (c) of Regulation 5 (chapter 1 of the OERC (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023. The tariff shall be cost-reflective and an appropriate component for RCO compliance. No Cross-Subsidy surcharge shall be applicable on such transactions.

25. Para no. 54 & 55: kVAh Billing and Bill Revision issue

Respondent's view /suggestion on Bill Revision issue

TPSODL Response:

TPSODL is strictly following the regulations-155 & 157 prescribed in the Supply code 2019 for bill revisions. However, to address the consumer's concern, TPSODL has requested the Hon'ble Commission to permit/allow the downward bill revision beyond 2 years. Also, petition has been submitted before the Hon'ble Commission for Amnesty Arrear Clearance Scheme by GRIDCO and the Discoms.

As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within +20% of the ACoS. If table no. 25 of the RST Order FY 24-25 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within +20%/ of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

26. Para no. 57 & 58: Installation of Smart Meter and abolition of Meter Rent

Respondent's view /suggestion on Installation of Smart Meter and abolition of Meter Rent
TPSODL Response: Hon'ble Commission under para 99 (2) vide Retail Supply Tariff Order dated 24.03.,2025 pronounced direction regarding installation of Smart Meters, the relevant extract is reproduced hereunder: …………………………………………………………………………………………… *In order to reduce the tariff burden on the consumers due to proposed CAPEX Plan of DISCOMs for smart metering, the State Government intends to provide capital subsidy/grant to the DISCOMs, in a phased manner for consumers with CD up to and including 2 kW towards installation of smart meters. Meter rent from such consumers (with CD up to 2 kW) may not be recovered to encourage speedy implementation of smart metering in the state.* ……………………………………………………………………………………………… …… In compliance to the direction of the Hon'ble, the licensee has stopped recovering meter rent against installation of smart meters for consumers up to 2 kW Contract Demands with effect from 1st April 2025.

27. Para no. 59 & 60: Amnesty scheme for clearance of Arrears of Pre-Vesting period.

Respondent's view /suggestion on Amnesty scheme for clearance of Arrears of Pre-Vesting period.
TPSODL Response: The Respondent Discom would like to submit before the Hon'ble Commission that the Petitioner along with the other Discoms have already submitted the application for approval of the AAC scheme on 02.01.2026 for kind consideration and approval of the Commission.

28. Para no. 61: Providing Connection to Green Hydrogen Projects under separate metering arrangement

Respondent's view /suggestion: Providing Connection to Green Hydrogen Projects under separate metering arrangement
TPSODL Response:

In view of Govt. of Odisha target to achieve green hydrogen production target by 2030, this is to bring into the kind information of the Hon'ble Commission that may more industries will be setting up the Green Hydrogen Production facility in the state. Further, to provide the smooth connectivity approval, separate metering arrangement etc. to intended industries seeking for setting up Green Hydrogen facility in the State of Odisha, Discoms humbly prays before Hon'ble Commission to issue necessary direction and frame a procedural guideline in this regard.

29. Para no. 62: Re-structuring of ToD based RST.

Respondent's view /suggestion on Re-structuring of ToD based RST
TPSODL Response: With regards to the Ld. Objector proposal for ToD based RST, this is to submit that with present Retail Supply tariff, a number of EHT/HT consumers have resorted to procure power through Open Access during FY 2025-26. Further, it has been noticed that drawl through OA mechanism will adversely affect the sales and sales mix as well. With any further increase in energy charges, it is apprehended that major chunk of EHT sales may opt out for Open Access.

30. Para no. 63: Charging of leading power factor while billing to EHT Consumers i.e. (Lead+Lag) kVAh Billing

Respondent's view /suggestion on Charging of leading power factor while billing to EHT Consumers i.e. (Lead+Lag) kVAh Billing
TPSODL Response: In our ARR application submission under Point no.- 7.18 of Tariff rationalisation measures suggested have been well elaborated with justifications in the application of the licensee which may please be referred.

31. Para no. 65 ,66 & 67: Security Deposit related issue

Respondent's view /suggestion on Security Deposit related issues
TPSODL Response: (i) The relevant extract on payment of SD from regulation 52(iv) of OERC Distribution (Condition of Supply) code, 2019 is provided hereunder:

"The security deposit shall be paid in cash or by bank draft or by electronic/digital payment. It may also be paid by cheque or by credit card, where specifically allowed by the licensee/supplier".

Further, regulation provides for interest on the security deposit also. The above provision makes the required amount available with the licensee, which can be utilised without any additional time involvement, in case it will be required to adjust the security deposit. This ensures payment security to the licensee. This matter has already been addressed by Hon'ble Commission in previous Tariff proceedings.

(ii) The provision of delayed payment surcharge is not to enrich the licensee by 7%-8%, but the ensure payment security to the licensee. The very aim of the provision is to develop the culture of payment within the stipulated time among the consumers. Because of this provision, the consumer will be persuaded to make payment within the stipulated time. Therefore, the apprehension of the Ld Objector regarding enriching the licensee by this extra amount is baseless.

The proposal of the objector of paying interest on additional SD, even without receiving SD physically is totally not tenable. Interest has been allowed by Hon'ble Commission as the money is retained by the licensee to ensure the payment security. Interest can never be allowed to consumer before receiving SD physically.

(iii) The Supervision charges is collected from the consumer as per Regulation-27 & 29 and estimate of capital cost is calculated as per the Appendix-1 of the Supply code-2019.

32. Para no. 75: Action taken report furnished by licensee.

Respondent's view /suggestion on Action taken report furnished by licensee.

TPSODL Response:

(i) The status of PM Surya Ghar Scheme, Kusum-A & Kusum-C till 30th Jan'26, are furnished below.

Following is the status of PM Surya Ghar Scheme under TPSODL as on 30.01.2026:

Sr. No.	Particulars	UoM	Quantity
1.	Total no. installation	Nos	3504
2.	Total Capacity	MW	10.85
3.	Total Energy Generated	MU	4.29 (appx.)

(ii) Progress under PM KUSUM-A: Under PM KUSUM -A , PPA executed for 22 Nos. of projects having cumulative capacity 35.5MW out of which OREDA will execute 12MW Capacity . Out of the above, 11KV line work is under execution in the project under GNED, Bhanjanagar, BED-III, Berhampur and GSED, Digapahandi .Other projects are under the process of Land acquisition and financial closure carried out by SPGs.

(iii) Progress under PM KUSUM-C: PPA executed for Five numbers of projects under JED, Jeypore and NED, Nabarangapur having capacity of 3.365MW as on 30.01.2026. All these projects are under the process for land acquisition carried by SPGs.

33. Para no. 77, 78,80,81,85: Other issue

Respondent's view /suggestion on Other issues

TPSODL Response:

(i) Allegation of the Objector regarding increase in power outage during TATA Power tenure is also not correct. Rather power outage during TATA Power tenure is reduced substantially and also decreasing year by year. The power supply hours have been 23:11 hrs in average during 2024-25. This can be observed from the SAIDI (System Average Interruption Duration Index) and SAIFI (System Average Interruption Frequency Index) are given in below table.

FY	SAIDI (Hrs)	SAIFI (Nos)
2021-22	155.63	233.74
2022-23	268	326
2023-24	267	326
2024-25	271	316

(ii) The Licensee is in adherence to the rules and regulation of the Act. The licensee will comply to every guideline that will be issued by Hon'ble Commission. Therefore, allegation of Ld. Objector that Discoms are invoking Section 126 of the Act to book consumer and disconnections without the issuance of provisional assessments is not correct. If such instant has taken place Ld. Objector can bring to the Discoms notice.

(iii) The Hon'ble Commission may give the necessary direction for course of hearing in GRF and Ombudsman be conducted in Hybrid Mode. The Licensee will adhere with direction of the Hon'ble Commission.

(iv) Licensee never allows any telecom company to lying their cables through the electric poles unauthorizedly which creates un safe conditions. Any rental income generated from the telecom company is accounted properly as per the OERC tariff regulation 2022.

(v) As per section 135 of the Companies Act, 2013, it is mandatory for the companies to comply with the CSR provisions and are required to spend a minimum of 2% of their net profit over the preceding three years as CSR. Board of TPSODL has formed a CSR Committee which is empowered to direct and approve areas where CSR budget can be spent in order to maximise the benefit to society in Odisha. Need assessment through a structured process, being done to identify the areas of importance and the same is placed before the CSR committee for their perusal and approval. This ensures the channelizing the benefit to the section of society which need CSR. All the CSR expenditure are being placed before the CSR committee meeting and being discussed at length and comparison also done against the approved budget. Impact assessment of the CSR expenditure society is also undertaken. Company has a robust system of procurement to pay process and thereby making every expenditure to undergo a maker and checker process. Also, Company has robust internal audit system being conducted by renowned firm to ensure the reasonableness and governance built around the process and all the expenditure are subjected to their audit scope.

Further, it is submitted that, the CSR expenditure is not being included in the A&G cost as per the Hon'ble Commission's directive.

34. Para no. 86 to 97: CSS, Wheeling Charges and Open Access

Respondent's view /suggestion: Open Access related

TPSODL Response:

(i) The number of consumers availing power through Open access are 2nos in FY 2023-24 and 1no in FY 2025-26. (Upto 31st December'25)

(ii) Total units availed through Open Access for FY 23-24 is 81.02 MU and for FY 25-26 (Upto 31st December'25) is 34.49 MU

(iii) The computed cross subsidy surcharge for DISCOMs have been given in table -38 of para 156 of RST order FY 26. In view of the mandate of Electricity Act'2003 under section 42, the cross-subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-38 of RST order is reproduced hereunder:

Table – 38

Computed Surcharge for Open Access for Consumer 1MW and above for FY 2025-26 (paise / unit)

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	231.40	186.40	161.40	356.40
Surcharge for HT Consumer	106.23	3.45	28.18	170.58

However, the approved charges for FY 26 as given under table 39 are done at 70% of the computed values. The table no. 39 is reproduced hereunder:

Table – 39

Leviable Cross Subsidy Surcharge, Wheeling Charge and Transmission Charge for Open Access Consumer(s) of 1MW and above for FY2025-26

Name of the licensee	Cross Subsidy Surcharge (P/U)		Wheeling Charge P/U applicable to HT Consumers only	Transmission Charges for Open Access Customer (applicable for HT & EHT Consumers)
	EHT	HT		
TPCODL	161.98	74.36	102.55	The Open Access customer availing Open Access shall pay Rs.6120/MW-day (Rs.255/MWh) as transmission charges.
TPNODL	130.48	2.41	156.41	
TPWODL	112.98	19.73	104.51	
TPSODL	249.48	119.41	174.06	

35. Para no. 98: Wheeling Charges

Respondent's view /suggestion on Wheeling Charges

TPSODL Response:

The Licensee has computed the Wheeling Charges considering the projected Distribution cost for the ensuring financial year and the total (projected) units to be wheeled through the distribution network. While approving the wheeling charges Hon'ble Commission considers the approved parameter.

ANNEXURE-9 (a)

TPSODL Response to Objections/Queries raised

Case No. 132/2025

TPSODL

TPSODL/Regulatory/2026/18/544 (2) 27-January-26

To,
Shri. Baishnaba Charan Padhihary
Chief General Manager (Finance)
GRIDCO Limited, Janpath,
Bhubaneswar -751022

Sub: Case No. 132 of 2025 (ARR application of TPSODL) – Objections/Observations of Shri. Baishnaba Charan Padhihary.

Ref.: Your submission dated 15th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix.**

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

Appendix

1. Para no. 1 (Energy Sales):

Views of GRIDCO

- *Considering the geographical area and growth pocket of pan TPSODL, total growth of 13.90% considered in LT category may be reviewed.*
- *Considering the increasing railway traction consumption on H1 of FY 25-26 than h1 of 24-25, the overall growth under EHT sales is proposed less than 24-25.*
- *It is submitted before the Hon'ble Commission to make prudent review of the projections while approving the energy projections for the ensuing FY: 2026-27*
- *The overall consumer growth stands at approximately 2.32%, which is sufficiently not aligned with the projected sales trajectory.*

TPSODL Response:

The Petitioner would like to state that, the growth in LT category projected for FY 26-27 at 10.14% from the estimated Sales in FY25-26. Further, while estimating the category wise sales, it has taken into accounts various factors i.e. actual sales data for the first six months of FY 2025-26, actual addition of consumers, the load trajectory (actual as well as estimated), and other factors such as extended summer season, urbanization, industrialization and modernization, effective load booking etc. for projection of sales for current and ensuring year.

Under Domestic category around 40,000 new connections have been estimated for ensuing year FY 2026-27 & in General purpose category around 3,000 connections have been proposed. The activity of data sanitization is going on and also a continual activity for removal of Ghost consumers from the billing fold through field verifications.

While projecting the sales in HT Category, the DISCOM has analysed the consumption pattern of each HT consumer with contract demand of more than 1 MVA. For FY 2025-26, Contract demand is projected to increase due to addition of new consumers like M/s Arcelormittal Nippon Steel India Private Limited, Dean Principal SLN MCH Koraput and few others having CD greater than 1 MVA.

EHT sales majorly depends on Railway Traction, accounting for 50% of total EHT consumption of TPSODL. While the overall EHT sales growth for FY 2025-26 is estimated at a modest 0.48% due reduction in demand by few consumers. Whereas for FY 2026-27, the projected EHT sales growth is 5.34%, due to improved load factors in industries.

2. Para no. 2 (Estimate of Power Purchase):

Views of GRIDCO

- *TPSODL has projected 5050 MUs is in line GRIDCO proposal for FY 26-27*
- *The revised Estimate of Input for FY 25-26 appears to be shown in higher side even though there is no such significant growth in HT & EHT sale as compared to previous year.*
- *As per the given T&D Loss and collection efficiency the AT&C losses is derived as 21.57% instead of 22.57% which is taken as base line MU proposal.*

TPSODL Response:

We would like to submit that the power purchase cost was projected as per AT&C loss trajectory fixed by the Hon'ble Commission in the Vesting Order, which is 22.57% for FY 26-27.

It may be further submitted that, the rationale for projected sales already been provided in the earlier response.

3. Para no. 3 (SMD):

Views of GRIDCO

- *Percentage increase in projected SMD for FY2026-27 is seems higher compared to corresponding growth in energy requirement.*
- *Projected SMD reflects an increase of around 13.62% which appears to be higher side.*
- *Hon'ble Commission may approve SMD based on actual SLDC data with proportionate adjustment for FY 2026-27 demand growth, and allow recovery of charges for any excess drawl beyond approved monthly quantum and SMD at actual*

power purchase cost or applicable BSP, whichever is higher, on a monthly settlement basis, so as to ensure grid discipline

TPSODL Response:

We would like to submit that the SMD projection of TPSODL 900 MVA is very much realistic based on the expected addition in HT and EHT consumer category.

Further the highest SMD is recorded during summer season mainly in March April months, thus TPSODL is expecting an higher SMD during expected longer summer season.

Further, as the capacities are added from the middle of the financial year so the consumptions may not commensurate with the SMD.

4. Para no. 4 (Employee Cost):

Views of GRIDCO

- *In the proposed net Employee cost of Rs.584.02cr which includes the cost of outsourced man power, but the numbers of outsourced manpower is not included in the manpower status position.*
- *Considering the above per thousand consumers effective manpower ratio will be higher than 1.40 and found not in line as per Hon'ble commission's directive.*
- *The proposed capitalization of employee cost is not aligned with CAPEX capitalization quantum of work. While the capitalization values fluctuate and show an increase in FY 2026-27, the employee cost capitalization indicates that there is no such proper basis of the licensee. Hon'ble Commission may review it's prudency accordingly.*
- *The employee strength data for FY 2024-25 to FY 2026-27 reflects a significant shift in manpower composition, primarily due to induction of new employees. Notably, the increase is more pronounced in non-technical executives compared to technical executives, despite the organization's core operations being predominantly technical in nature.*
- *The key objectives of the utility include reduction of AT&C losses through strengthened operational activities and goal-oriented CAPEX investments, a higher emphasis on technical manpower-particularly at field and execution levels-would be expected. However, the proposed manpower plan indicates a relatively higher growth in administrative and non-technical roles, which may*

not directly contribute to improving operational efficiency, loss reduction or effective execution of capital works.

- *Further, an increase in trained non-executive technical employees would be a significant asset to the organization. Strengthening and continuously upgrading the skill set of this category of employees is likely to enhance operational efficiency, improve quality of field execution, and contribute to a reduction in fatal and non-fatal incidents, particularly in high-risk electrical operations.*
- *Invest in structured and continuous skill-upgradation programs for in-house technical manpower along with manpower engaged by BA.*
- *Gradually shift critical operational and safety-sensitive activities from BA's manpower to trained internal resources, to ensure consistency, accountability, and improved safety performance as directed by Hon'ble Commission in the case no 46/ 2023.*
- *The number of Contractual and Outsource employee engaged in TPSODL not intimated while proposing the cost against them.*
- *The effective manpower per 1,000 consumer is workout to 1.32 without considering the number of out-source, Contractual and BA Employees engaged. Hon'ble Commission during the performance review a/so highlighted the same "** However, this does not take into account the strength of BA employees engaged by the licensee, which is 12,072 who are engaged in O&M of distribution line, PSSs & DTRs and involved in projects and A&G activities.**"*

  As per the technical nature of distribution operations and the targeted focus on AT&C loss reduction, system strengthening and safety improvement, the adequacy and composition of this ratio are crucial. Merely meeting an overall manpower ratio may not yield desired outcomes unless the effective manpower is predominantly technical and field-oriented.
- *As per the Vesting Order, the number of contractual employees was limited to 14 persons (Clause 50(b) in Case No. 83 of 2020). In this context, the proposed manpower cost of 132.71 Cr may be re-looked, with due consideration of the actual number of personnel continuing with TPSODL post-vesting.*

  Hence, the proposed manpower cost of 132.71 Cr to be adequately justified towards contractual manpower strength.

TPSODL Response:

It may be submitted that, TPSODL has filed the details of the no of employees and the other relevant details as per the prescribed format as a part of the ARR petition for FY 2026-27.

That, the Hon'ble Commission while clarifying on the approval for manpower against retirement vacancies, has stipulated that the number of employees per thousand consumers to be kept limited within 1.40, vide its letter no OERC/RA/TPWODL-38/2021/18 dt. 17.01.2022. The relevant extract of the Order is reproduced below:

> *"The Commission has now allowed filling up of retirement in view of a low percentage of employees per one thousand consumers. The Commission further observes that the recruitment for the ensuing year maybe undertaken to the extent so that the number of employees per one thousand consumers shall not exceed 1.40 including replenishment of retiring vacancies of TPWODL, TPNODL and TPSODL. "*
>
> ……
>
> *The Commission further directs the DISCOMS to file their separate manpower requirement and Plan of Action for FY 22-23 keeping in view the number of employees per thousand consumers as indicated by the Commission above. It shall be kept within 1.40."*

Further, the Odisha Electricity Regulatory Commission (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 ("Tariff Regulations, 2022"), specifically provides the guidelines for new recruitment by the licensee. Relevant extract is reproduced hereinunder:

> *3.9.11. The employee expense for the ensuing year shall be projected considering cadre /designation wise average existing employee cost for past year where the number of new employees to be added and their associated expenses shall be duly approved by the Commission after prudence check. The projection for the recruitment for a year may be restricted to 1.40 employees (including replenishment of retiring vacancies) per 1000 consumers. In case the ratio has exceeded 1.40, the Distribution Licensee shall bring down the ratio to 1.40 within the control period.*

That, the effective manpower per 1,000 consumer ratio works out to be 1.32 for FY 2026-27 with an active consumer base of 23.10 lacs. It is evident that the licensee is managing the operations within a vast geographical area with one of the lowest employees to consumers ratio.

Following the organizational transition and takeover of operations, TPSODL has successfully re-engaged the experienced and skilled workforce employed by the predecessor distribution company. This strategic human resource continuity initiative has enabled seamless operations across the expansive geographical service territory, encompassing critical functions including rural electrification programs, new consumer acquisition and integration, meter reading and testing (MRT) operations, comprehensive energy audits, distribution transformer maintenance and management, vigilance and security operations, and organizational facility management.

The organization has undertaken a comprehensive optimization and strategic redeployment of the inherited outsource and contractual workforce across multiple functional domains and geographical locations. This systematic process has facilitated the identification of operational gaps, service delivery shortcomings, and efficiency improvement opportunities. The insights gained from this redeployment exercise have proven instrumental in formulating an enhanced and optimized Manpower Recruitment and Deployment Policy for future organizational expansion and operational excellence.

That, the Commission has approved Rs. 113.15 Crs. under Outsource and Contractual employees Cost FY 2025-26 against the licensee had projected estimate of Rs. 126.72 Crs. The Hon'ble Commission while approving the Outsource and Contractual employees Cost vide the tariff Order for FY 2025-26 dated 23.03.2025; had made the following observation.

> *Outsource and Contractual employees Cost*
>
> *119. As per the submission of the DISCOMs, in view of the large-scale rural electrification, addition of new consumers, reorganization, MRT, Energy Audit, maintenance of DTRs and vigilance activities etc., the present manpower is inadequate. Consequently, in order to improve condition of supply, reduction of distribution loss and to improve collection, DISCOMs have engaged contractual personnel and outsource agencies for maintenance of existing Grid substations, sub stations under ODSSP, watch and ward activity, vigilance activities etc. DISCOMs were asked to submit th Se actual expenses on these activities during the current financial year 2024-25. The Commission after scrutiny allows the expenses on Contractual and outsource employees for the ensuing FY 2025-26 on the basis of the submission of DISCOMs and actual cash outgo for the current FY 2024-25.*

That, TPSODL has made very sincere effort to optimize the inherited Outsourced and Contractual manpower post takeover, and has redeployed the manpower across various functions and locations. These efforts have resulted in finding the shortcoming/ gaps in the effective operation of the licensee; which in turn helped in framing the optimized New Manpower Recruitment policy.

Effectiveness of Deployment of Outsource Employees:

- Major contribution in tracing unidentified consumers and updating their connection status, increasing OCR-based meter reading coverage, and executing supply disconnections for permanently locked premises.

- Significant role in reporting of faulty meters and contribution in enhancement of LT collection efficiency (LT Collection Efficiency for FY 24-25 - 103%).

- The effective deployment of the outsource employees also contributed to improved reliability metrics, with SAIDI reduced to 271 hours and SAIFI to 316 Nos. for FY 2024-25.

  e.g. Analysis of Reliability Indices for Nov'25 vis-à-vis Nov'24 provides the below picture:
  - The System Average Interruption Duration Index (SAIDI) improved by 3.57% and System Average Interruption Frequency Index (SAIFI) reduced by 3.46%, respectively.
  - SAIFI improvement is directly attributable to 14.29% reduction in Sustained Tripping, with the most substantial gains occurring on the 11kV network.

  - Unplanned Shutdowns (UPSD): Reduced by 96.17% (from 392 to 15)
    - 33kV UPSD: Reduced by 95.92% (from 98 to 4)
    - 11kV UPSD: Reduced by 96.26% (from 294 to 11)
  - Sustained Tripping: Reduced by 14.29% (from 8,824 to 7,563)
    - 33kV Sustained Tripping: Reduced by 4.41% (from 794 to 759)
    - 11kV Sustained Tripping: Reduced by 15.27% (from 8,030 to 6,804)

- Further, the Consumer connectivity has improved by proper database sanitization and uploading of 18.2 lac contact details into the system.

That, based on the above, the licensee has requested the Hon'ble Commission to consider the projected Outsource and Contractual employees Cost of Rs 132.71 Cr for FY 2026-27.

To keep the manpower cost optimized, TPSODL has recruited majorly trainees – Graduate Engineer Trainees, Diploma Engineer Trainees, Commercial Trainees (general Graduates). Same philosophy has been extended to the ensuing year 2026-27.

In view of the above, it is humbly submitted before Hon'ble Commission to approve the proposed employee cost of Rs. 584.02 Crs for the ensuing financial year FY 2026-27.

5. Para no. 5 (Administrative and General Expenses):

Views of GRIDCO

- *For FY 2025-26 Hon'ble OERC has approved only Rs.128.98 Cr against the estimated expenditure of Rs.165.85 Cr.*
- *The expenditure towards lease rent must reduce year on year basis in view of the CAPEX investment done towards new office buildings to curb the leasing of property for office purpose.*
- *It is a good sign that the Hire charge of vehicle cost is in a decreasing trend. Further the Capitalization cost under CAPEX needs to address appropriately.*
- *The increasing cost of Watch and ward/ security must also be in decreasing trend in view of the majors taken under CAPEX investment.*
- *The proposed increasing trend in Metering, Billing & Collection (MBC) cost (Rs.89.61 Cr in FY 2024-25, Rs.92.43 Cr (Estimated) during FY 2025-26, and Rs.98.90 Cr proposed for FY 2026-27) needs to be adequately justified in view of the following facts:*
  - ➢ *High penetration of smart meters, with a significant portion of consumers operating under prepaid mode, which is expected to substantially reduce the cost.*
  - ➢ *Under the CAPEX programme, a substantial investment has already been approved for development and up-gradation of DC/DR for CIS (MBC), billing software, and billing-related equipment, which should lead to process automation, operational efficiencies, and cost rationalisation.*
- *TPSODL needs to reduce the expenses growth rate in Office Up-Keep Expenses/ Facility Management Expenses as it has been increased 570% from FY 2024-25 (Rs.0.55 Cr) to that proposed for FY 2026-27 (Rs.2.86 Cr).*
- *Benefits from improvement in AT&C losses may be quantified and netted off against the related cost claims, so that consumers receive the benefit of efficiency gains.*
- *Clear segregation between CAPEX and OPEX is required, particularly for IT systems and professional service costs, to avoid double recovery.*

TPSODL Response:

As per the terms of Tariff Regulation, 2022 Hon'ble Commission approves the A&G expenditure of the Licensee wherein the provision of escalation of 7% hike over previous year approval along with additional expenses (subject to prudence check) towards improvement in performance for special measures to be undertaken are permitted.

TPSODL in its ARR petition for FY 26-27 had prayed that the Hon'ble Commission approve the proposed A&G expenses for FY 26-27, considering historical trends, the prevailing inflation scenario, and the Licensee's additional requirements in a prudent manner.

Billing and collection expenses are generally classified as controllable. A portion of these expenses is influenced by factors beyond the direct control of DISCOM, including statutory revisions in wages and labor-related costs, expansion of the consumer base, enhanced service quality and consumer protection obligations, deployment of advanced metering and digital billing systems, strengthening of cyber security & IT infrastructure, and overall inflationary trends. Further, measures undertaken to improve billing efficiency, strengthen collection efficiency, reduce AT&C losses and enhance consumer grievance redressal may entail incremental expenditure in the initial years, even though they contribute to sustained operational efficiency and long-term cost optimization. TPSODL therefore submits that reasonably incurred increases in billing and collection expenses, undertaken in the interest of reliable, transparent and consumer-centric distribution services, merit due consideration by the Hon'ble Commission.

Further, on the matter related to segregation between the CAPEX & OPEX, it is submitted that the Licensee considers only the OPEX items while claiming the A&G expenses. Any CAPEX related costs are taken into consideration in the CAPEX DPR filed before the Hon'ble Commission which is currently under purview of the Hon'ble Commission.

Further, the Hon'ble Commission has notified the draft CAPEX Regulations for stakeholders' comments, which when comes into force will enable the licensee to bifurcate costs on the basis of CAPEX & OPEX items as per the new regulations.

6. **Para no. 6 (Repair & Maintenance Expenses (R&M):**

Views of GRIDCO

- *A clear guide line needs to be in place for segregation of R&M and CAPEX works. As many works under the scope of CAPEX proposal are again part of the R&M expenditure.*
- *Many works like Installation of new AB Switch, HG Fuse, VCB, DTR Augmentation, LA, LT protection and Earthing are considered under CAPEX. Hence, the costs associated with these works may be appropriately classified.*
- *TPSODL needs to share the FAR against ODSSO-IV, ODSSP-V, SACI and BGJY to GRIDCO before considering them for R&M expenditure.*
- *As per the statutory audit report out of 3,092 DTRs, under BGJY only 319 numbers could be physically identified during FY 2024-25 having a book value of Rs.9.99 Cr, and balance DTRs could not be identified on account of diversion and utilization under various other schemes such as Saubhagya, R&M works, OPEX activities, records not found etc. Hence O&M charges on Rs. 45.71 Cr pertaining to BGJY-OPTCL DTRs may be reviewed*
- *In respect of ODSSP assets the O& M charges to be claimed only on the net asset value after deducting 268.91 Cr, which were handed over to TPSODL in terms of kind towards CAPEX infusion, out of the total ODSSP asset value of Rs.759.83 Cr. therefore the claims in respect of ODSSP Assets may kindly be reviewed*
- *Assets created by State Government and Central Government agencies which have been replaced, retired, or substituted through new capital works, shall be excluded from the approved asset base for determination of O & Maintenance expenses, in line with the principles of asset prudence, avoidance of double recovery, and admissible O&M norms as stipulated under the Tariff Regulations, 2022.*
- *Further, in respect of assets created by Central Government agencies such as NTPC, PGCIL and NHPC under RGGVY / DDUGJY during the 10th, 11th and 12th Plan periods, it is submitted that the Fixed Asset Register (FAR) of such assets is under reconciliation by the DISCOMs. R&M claims relating to such assets may be reviewed.*
- *As per prevailing regulations, the DISCOMs are claiming the R&M costs as a percentage on asset value in their Book. However, in other state's like Gujarat, it is on energy sales basis, which would create avenue for increase in volume of consumption of the Discoms.*

TPSODL Response:

Based on the learning from last 5 years of stabilised operation, TPSODL had further optimised the comprehensive AMCs along with the manpower deployment structure for all six circles for operation and maintenance of 33KV, 11KV & LT assets to create a culture of preventive maintenance. The Performance Based Maintenance Contract also includes 24X7 Breakdowns Crews for restoration of 33KV & 11KV feeders and substation equipment. Besides, preventive maintenance activities are being performed as per the maintenance plan using the SAP PM system.

The network is being inspected regularly through manual patrolling as well as drone inspection in forest and inaccessible areas. Thermo-scanning is done for the entire network using high power thermo scanning cameras and to identify the defects, hotspots and attend breakdowns in quick time and perform preventive maintenance activities to enhance system reliability by rectifying the probable faults even before they occur.

It may be submitted that, the Petitioner has already shared the below documents to the Hon'ble Commission for further review and prudence check –

(i) Fixed Asset Register (FAR) for FY 2021-22, FY 2022-23, FY 2023-24 and FY 2024-25.
(ii) R&M Cost segregated on Material and Service Header
(iii) statement of assets created out of Government funding and assets transferred by GRIDCO in the form of kind for equity contribution (from the date of vesting)
(iv) detailed statement of the assets discarded/retired due to attainment of 90% of depreciation year-wise.
(v) detailed statement of the assets still in use and continue to be in gross fixed asset after attainment of 90% depreciation till date.

Further, the Discom has also provided list of assets created by various State and Central Govt. agencies under various schemes for review of the Hon'ble Commission.

7. Para no. 7 (Provision for Bad Debt):

Views of GRIDCO

- *Petitioner has undertaken various measures under A&G and Capex program to improve collection efficiency.*
- *Provisions for bad and doubtful debts may be considered on normative basis, as approved by Hon'ble Commission.*

TPSODL Response:

It is submitted that the Licensee has considered/ computed the above costs on normative / projected basis in accordance with the OERC Tariff Regulations, 2022.

Since determination of tariff is the sole prerogative of the Hon'ble Commission, the Licensee has projected the costs keeping in view the interests of both the consumers as well as the Discom.

8. Para no. 8 (Capitalization):

Views of GRIDCO

- *The details of Capex approved by the Hon'ble Commission vis-a-vis capitalization submitted by the petitioner during the preceding five FYs is submitted below.*
- *In view of the above capitalization trend of previous year Hon'ble Commission may take view at its discretion regarding the capitalization projection submitted by TPSODL for further approval.*
- *TPSODL need to submit capitalization details of head wise approval including Govt.funded works to assertion quantum of work execution and its impact on network*

TPSODL Response:

It is submitted that the detailed of the proposed Capital Investment Plan for FY2026-27 along with status of Capitalisation header wise; has already been submitted by the petitioner and same has registered case no. 78 of 2025. The hearing has been completed and currently, the case is reserved for Order.

9. Para no. 9 (Depreciation):

Views of GRIDCO

- *The projected depreciation cost for FY 2026-27 is Rs. 136.20 Cr, which is higher, compared to the depreciation cost in FY 2025-26. As per Regulation 3.6.3 of the RST Regulations 2022, depreciation may not be allowed on assets funded by consumer contributions, capital subsidies, or grants*
- *Depreciation should be considered only on actual capitalization of assets after a proper audit check.*

TPSODL Response:

It is submitted that the Licensee has considered/ computed the above costs on normative / projected basis in accordance with the OERC Tariff Regulations, 2022.

Further, the capitalization figures and deprecation cost are being reviewed and reported by the Independent Auditor.

10. Para no. 10 (Return on Equity):

Views of GRIDCO

- *RoE may be allowed only on eligible paid-up equity, excluding govt. grands and consumer funded assets.*

TPSODL Response:

Para 58 (a) of the Vesting Order on Return on Equity is reproduced below:

> *58. Return on equity:*
>
> *As per the terms of the RFP, the Commission shall allow return on equity, as per the Tariff Regulations, to TPSODL on the equity capital of Rs. 200 crores (Indian Rupee Two hundred crores) only which was the reserve price of the utility of SOUTHCO.*

Further, the Tariff Regulation, 2022 provides the following-

> *" 3.6. Return on Equity*
>
> *3.6.1 Return on equity on approved reserve price (INR 300 Crore for TPCODL, INR 300 Crore for TPWODL, INR 250 Crore for TPNODL and INR 200 Crore for TPSODL) for the utilities (TPCODL, TPWODL, TPNODL & TPSODL) of the erstwhile Distribution utilities as on effective date in terms of the provisions of Vesting Orders:*
>
> *Return on equity shall be allowed on the approved reserve price of the utility from the effective date of operation at the rate of 16% per annum (post tax), in Indian Rupee terms on pro-rata basis as per Vesting Order.*
>
> *Return on equity on the assets put to use after Effective Date up to date of applicability of these Regulations:*
>
> *3.6.2 Return on equity on assets put to use after Effective Date up to date of applicability of these Regulations shall be eligible to get return as per Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 and its amendments thereof.*
>
> *3.6.3 Return on equity on the assets put to use under instant Regulations:*
>
> *Return on equity on assets put to use under these Regulations shall be computed on the paid-up equity capital determined in accordance with these Regulations and shall be allowed at the rate of 16% per annum (post tax), in Indian Rupee terms:*
>
> *Provided further that for the purpose of truing up for the Distribution Licensee, return on equity shall be allowed from the date of commercial operation on pro-rata basis based on documentary evidence provided for the assets put to use during the year in absence of which the assets shall be considered to be added in the mid of the year.*
>
> *Provided further that asset funded by consumer contributions, capital subsidies/ Government*

grants shall not form part of the capital base for the purpose of calculation of Return on Equity.

(a) --

(b) --

(c) The tax only to the extent of the tax on return is provided as pass through."

On the basis of the above, TPSODL has worked out the Return on Equity (RoE) for the capitalization made by TPSODL after Effective Date. Based on the above regulation, read with the vesting order provision RoE workings is done.

The Tax on RoE proposed by TPSODL for the current FY 2025-26 is Rs. 37.36 Crs and for the FY 2026-27 is Rs. 43.46 Crs.

ANNEXURE-9 (b)

TPSODL Response to Objections/Queries raised

Case No. 135/2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
Minati Rath
NOTARY PUBLIC
Berhampur. Gm., Odisha

TP SOUTHERN ODISHA DISTRIBUTION LTD. * BERHAMPUR *

TPSODL

TPSODL/Regulatory/2026/19/545 (2) 27-January-26

To,
Shri. Bibhu Prasad Mohapatra
Chief General Manager (PP)
GRIDCO Limited, Corporate Office
Janpath, Bhubaneswar -751022

Sub: Case No. 135 of 2025 (LT Open Access application of TPSODL) – Objections/Observations of Shri. Bibhu Prasad Mohapatra.

Ref.: Your submission dated 16th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

Appendix

1. Para no. 7 (a) (Nodal Agency under Open Access and Green Energy Open Access Framework):

7. *(a) It is observed that the applications filed by the DISCOMs do not explicitly address or clarify the manner in which the end-to-end Open Access operations for LT consumers are proposed to be carried out. Accordingly, it is humbly submitted that the Hon'ble Commission may consider directing the DISCOMs/ SLDC to incorporate a detailed Standard Operating Procedure (SOP) delineating the roles and responsibilities of the SLDC, STU and DISCOMs for various stages of Open Access operations for LT consumers, so as to ensure operational clarity for consumers as well as all other stakeholders.*

TPSODL Response:

The Discoms have filed their applications for determination of LT Open Access Charges in compliance to the requirement of the OERC (Promotion of Renewable Energy through Green Open Access) Regulations 2023 ("Green Open Access Regulations,2023") and in compliance to the directive of the Hon'ble Commission given in Tariff Order FY 25-26 dated 24.03.2025.

In this regard, we would like to submit before the Hon'ble Commission that, the detailed SoP as suggested by the respondent should be notified under the provisions of the Green Open Access Regulations,2023. Under the aforesaid regulations, the Hon'ble Commission has already directed the nodal agency (i.e. the STU) to formulate methodology/procedure for allocation of quantum of Green Energy power for banking (relevant extract given below), the Nodal agency, in our view, will be the most appropriate entity to formulate the detailed SoP as suggested by the respondent,

> *5. (b)*
>
> ...
>
> *Provided further that a Nodal Agency designated by Government of Odisha shall formulate the methodology / procedure for allocation of quantum of Green Energy power for Banking to applicant (s) within 3 months of notification of these regulations and submit the same for information of the Commission.*

In view of the above, the Hon'ble Commission may direct the Nodal agency to formulate the SoP as suggested by the respondent.

2. Para no. 7 (b) (Non - Eligibility of LT Consumers under OERC (Terms and Conditions of Intra-State Open Access) Regulations, 2020):

7. (b) GRIDCO humbly submits before the Hon'ble Commission that, clarification is required whether the LT Consumers are prohibited from availing conventional power under OERC (Terms and Conditions of Intra-State Open Access) Regulations, 2020 and are only eligible to avail Green Energy under Open Access. From the scope and framing of the applications, it appears that LT consumers are envisaged to avail Open Access exclusively from Green Energy sources as defined under the OERC (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023. In this context, it is respectfully submitted that the Hon'ble Commission may consider clarifying, in the order to be issued in this matter, whether LT consumers are permitted to avail Open Access from sources other than Green Energy, so as to avoid any interpretational or implementation-related ambiguity in future. Such clarification would also enable the Nodal Agency to process applications in a consistent and uniform manner.

TPSODL Response:

It may be submitted that, only Consumer having capacity 1 MW and above can avail open access under OERC (Terms and Conditions of Intra-State Open Access) Regulations 2020. Please refer para 9 (3) of this regulation, extract given below.

> *9. Eligibility for Open Access and conditions to be satisfied*
>
> .....
>
> *3) Open access shall be permissible to the consumers seeking open access for a capacity of 1 MW and above; ....*

Cleary, a consumer with Capacity 1 MW and above cannot be a LT consumer as per existing OERC Supply Code,2019.
Hence, the Hon'ble Commission has been approving the Open Access Charges for HT and EHT consumers only in the retail supply tariff order for Discoms.

3. Para no. 7 (c) (Energy Accounting and Settlement Mechanism for LT Consumers under Green Energy Open Access):

7. (c) It is submitted that TPNODL, TPSODL and TPCODL have proposed a procedure for settlement of energy for LT consumers availing power under Green Energy Open Access. However, TPWODL has not proposed any such settlement mechanism in its application.

Further, upon examination of the proposed methodology, it is observed that the treatment of scenarios where the actual consumption of LT consumers is lower than the quantum of energy scheduled under Green Energy Open Access resulting in possible lapse of Open Access energy has not been adequately addressed, instead it has been mentioned that the excess energy may be banked by the LT Consumer, if banking facility is opted by the said consumer. Notably, such scenarios have been illustrated in the context of settlement under Conventional Open Access, but similar clarity is absent in respect of Green Energy Open Access.

Considering the above, it is humbly submitted that the Hon'ble Commission may consider addressing this aspect and approve the energy accounting and settlement procedure for LT consumers under Green Energy Open Access in line with the procedure followed for Conventional Open Access consumers.

TPSODL Response:

It is submitted that under Green Open Access, there may be a scenario where multiple connections of a consumer would come together (as a single LT consumer having 100 kW of CD is very unlikely) for availing green open access. These separate connections may be situated at different physical locations within a Discom and will be having separate consumer numbers.

Hence the conventional mechanism of scheduling for individual consumers may be a challenge and also cumbersome particularly when the consumers are of LT category and large in number. Hence there may be a need for scheduling on "pre-agreed" allocation basis. The "Pre-agreed" allocation will have to be approved by the Discom and has to be applied to the Nodal Agency / Generation Source for the Energy Scheduled on Open Access. Such kind of allocation is also envisaged under Virtual Net Metering Arrangement.

In view of the above situation/scenario, the settlement mechanism as proposed by the petitioner, may be reviewed by the Hon'ble Commission.

ANNEXURE-10

TPSODL Response to Objections/Queries raised

Case No. 132/2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
Minati Rath
NOTARY PUBLIC
Berhampur, Gm., Odisha

TPSODL

TPSODL/Regulatory/2026/14/540 (2) 27-January-26

To,
Shri. Prabhakar Dora
S/O – Late Bhaskar Rao Dora
3rd Lane, Vidya Nagar,
PO / District – Rayagada – 755001.

Sub: Case No. 132 of 2025 (ARR application of TPSODL) – Objections/Observations of Shri Prabhakar Dora.

Ref.: Your submission dated 13th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
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Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

Appendix

TPSODL, being the Retail Power Distribution Licensee for southern part of Odisha, has taken into consideration all possible measures while submitting the ARR and Wheeling and Retail Supply Tariff for the FY 2026-27.

The licensee is duly following the rules and regulation on distribution condition of supply code-2019.

The suggestion given by the objector has been discussed and some of the points have already taken up.

1. Suggestion on various issue:

It is unfortunate that not a single licensee has acknowledged or responded to the suggestions made by the objector on various issues as given below and advertising that they are most ethical company where the prospective consumers are knocking the doors of offices more than the erstwhile management for services.

i. *Procedure for payment of processing fees for different services.*
ii. *Deficiency in MO Idiot Portal.*
iii. *Procedure for providing Dump report.*
iv. *Payment procedure for providing Dump reports.*
v. *Convenient charges being taken by banks for online payments.*
vi. *Display of bills and ledger of the consumer and download provision.*
vii. *Digital Payment.*
viii. *Notification of different service charges.*
ix. *Notification for Designated Officers.*
x. *Display of Official Phone no/email addresses instead of personal email id or phone no in the website.*
xi. *Lack of uniform procedure as to the terms while issuing permission for supply. No standard format is existing.*
xii. *Duties and Responsibilities to Officers and staff not clearly defined or assigned.*
xiii. *Notifications of Designated Officers responsible for giving LC in line with ELBO regulations.*
xiv. *Adherence to different dress codes for Officers/workers/Business Associates*

TPSODL Response:

It may be submitted that, the allegation of objector that no one has acknowledged/responded to the suggestions made by objector is not correct. In our reply to the objector during RST determination process for the FY 2025-26, we have responded to all concerns of Ld. Objector. However, we are herewith providing our response again to the major concerns/suggestions of Ld. Objector as following:

i. Procedure for payment of processing fees for different services.

A consumer can make a payment of processing fee for different services by logging in TPSODL official website, under 'non-energy bill payment' tab under Pay your bill, the payment can be done through different payment gateway like UPI, credit and debit cards.
Further the consumer can log into https://customerportal.tatapower.com/Login/ and provide the CA no. to see the consumer profile,usage and make necessary payements.

ii. Deficiency in MO Bidyut Portal

Licensee is committed for continuous improvement in MO-Bidyut application as well as in other services as per consumer's feedback. However, the objector is requested to bring the individual cases to the notice of the licensee for its speedy resolution.

iii. Procedure for proving Dump Report

Dump report is provided on application of consumers supported with a receipt of fees of Rs 500.00.

iv. Convenient charges being taken by banks for online payments

Under TPSODL website, there is no convenient charge applicable for UPI payment. Further, nominal charges are applicable for Bill Desk/Paytm Payment Gateway depending upon whether the payment is being made thorough Net Banking, Debit Card, Credit card.

For payment through any BBPS (Bharat Bill payment System) there is no charge for the consumer.

v. Display of Bills and ledger of the consumer and download provision

This facility has already been there under TPSODL area. The consumer under TPSODL can avail this facilitate by registering in My TATA power App and customer portal of TPSODL website.

vi. Digital Payment

A consumer can pay Energy bill, non-energy bill in different digital mode of payment like UPI, Paytm, credit cards, debit cards etc.

vii. Notification of Service charges

TPSODL claims all service charges as per the rate prescribed by the Hon'ble Commission in its regulations/orders.

viii. Notification for Designated Officer

The Ld. Objector has pointed out that the licensee must notify designated officers for carrying out various activities, so that consumer can approach the concerned officer depending on the type of concern.

The licensee has started operation with effect from 01.01.2021 and since then this has been a continuous effort of the licensee to streamline each and every activity involved in its business. Accordingly, procedural set up have been restructured and responsibility assigned to the concerned officers.

However, it is pertinent to mention here that, if a number of officers will be notified as responsible officers for information of the general public for their various types of concerns, that will complicate the process for the consumer. Therefore, to make the process consumer friendly, the application for new service connection are being received online, up to 5KW in Mo Bidyut portal and for 3-phase in the licensee website. After receiving the application, it is being dealt and disposed as per the internal guideline set for the process with involvement of various teams like CMG, MMG, KCG, NEG, etc. Further, the complaint registration has also been made online and also through various customer touch points which are also registered in Customer Redressal Module and redirected to the concerned officer / person and redressed as per the procedure set for the same. The licensee is operating 814 nos. of FCCs (fuse call centers) keeping involved in recovery from ECL consumers.

ix. Display of Official Phone no/E-mail address instead of personal E-mail ID & Phone No.

On TPSODL Website, contact details of Circle heads, Division heads and contact number for various services have been provided through which consumer can reach us.

x. Lack of uniform procedure as to the terms while issuing permission for supply. No standard format is existing.

Now new connection requests and other complaints are being addressed through online mode. It may be submitted that, except estimate, other activities are standardized. To standardize estimated amount, TPSODL has submitted its proposal before Hon'ble Commission in comments on the draft Supply Code notified.by the Hon'ble Commission.

xi. Duties and Responsibilities to Officer and staff not clearly defined or assigned.

As explained under previous submission, responsibilities of Officer and staff has been clearly defined and assigned.

xii. Notification of Designated Officer responsible for giving LC (Line Clearance) in line with ELBO regulations

For giving Line clearance, the licensee has designed a Permit to Work guideline with an aim to make the system accident free. In case of any line clearance is required to work on live line, as per the set guideline, the person needs to take Line clearance from the central Power System Control Centre (PSCC) observing all the set procedures. Only central Power System Control Centre issues Line Clearance that is Permit to work on live line.

Similarly, while returning Line clearance also same type of stipulated protocols are to be observed before the line is charges. This is a step taken by the licensee to make the system accident free.

xiii. Adherence to different dress codes for Officer/workers/Business Associates.

Dress code has been adopted for permanent staff of TPSODL and all the staff are being provided with two pair of dresses annually. BA employees who are working for line maintenance are provided with full body harness.

2. Para no. 1 (More consumption less price for Domestic consumers):

1. *Universally a consumer gets less rate the more he purchases. But, in case of Domestic tariff in Odisha, the rate is flat for all units beyond 400 units@Rs6.10 per unit excluding ED. Due to global warming and a rise in average temperature, ACs are becoming a comfort but not a luxury anymore. Due to the use of geysers, micro-woven, and induction stoves by middle- class people, the average consumption has significantly increased. The increasing cost of electricity is unbearable for middle-class consumers. It is the responsibility to provide affordable electricity by Commission to all consumers. Hence reduced slabs for electricity above 300 units per month are the need of the hour. Such a step will not only incentivize the consumers for more drawl but dissuade pilferage by have-nots who cannot afford to pay. The Hon'ble Commission may kindly examine the proposal. This concept was in vogue in the erstwhile OSEB era but only dispensed when there was a severe power cut due to shortage in generation during 1980's. The position altered significantly due to surplus generation now. Further incentivizing*

certain categories achieving load factors with lower tariffs and simultaneously adopting a different policy in pricing for Domestic category is coming under discrimination.

TPSODL Response:

It is to bring out that, Hon'ble Commission is guided by the principles of National Tariff Policy for setting tariffs for different category of consumers. Relevant extract from section 8.3 of the National Tariff Policy, reproduced hereunder:

1. *Consumers below poverty line who consume below a specified level, as prescribed in the National Electricity Policy may receive a special support through cross subsidy. Tariffs for such designated group of consumers will be at least 50% of the average cost of supply.*

2. *For achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission would notify a roadmap such that tariffs are brought within ±20% of the average cost of supply…"*

To support the economically weaker category of consumers, cross subsidization principle is being followed in the state. The consumers with lower consumption like less than 30 units are considered below poverty line. Similarly, to support the consumers falling under lower consumption slabs, like less than 50 units, 50 to 200 units, lesser rates have been fixed which is gradually increased.

The existing pattern of tariff applicable for domestic and LT GP is to support the lower consumption group /weaker section of the society and ensure power for all.

3. Para no. 2 (Return on Equity):

2. *The licensee is to get a 16% return on equity. Accordingly, the Hon'ble Commission has designed a cost-benefit analysis and remunerative norms in Appendix I of the Code-2019. The Licensee is responsible for network expansion based on license conditions. If prospective consumers are allowed to carry out the network necessary for giving supply, the licensee is bound to give remunerative calculations along with feasibility to every consumer and adjust the expenditure made by him in the energy bills.*

   Due to negative returns there is resource crunch in DISCOMS which is expanding very fast. Due to this reason, the Licensees are adopting other devious methods to shirk of their responsibility of network expansion. The licensee is asking the prospective consumers to create network expansion on his behalf and after completion is not reimbursing the cost.

   So, in a way, the hapless consumers are being made to bear the burden of investment for the creation of infrastructure of the licensee in all cases in violation of Code-2019 and tariff orders in all cases. Exploitation of consumers is unchecked and not being protected by the Hon'ble Commission, as it can be seen that though thousands of three-phase *connections were given during24-25& 25-26 not a single consumer has been reimbursed of his investment made for licensee's infrastructure. When consumers fight for their rights, the licensees are involved in unending litigation. They have the audacity to challenge the Code-2019 through misinterpretations and putting the entire burden on consumers.*

Apart from the above, the licensee is showing all these assets as capital expenditure made by them which is nothing but showing free assets taken over as expenditure in the books. If consumers asked to bear the cost of infrastructure for giving supply in each case, then where is the need for capital expenditure sought by the licensee?

The Hon'ble Commission may insert appropriate provisions binding licensees to invest for creation of infrastructure to meet the demand of consumers as they are responsible for creation and maintenance of network.

TPSODL Response:

We would like to submit that the network expansion of individual HT and EHT consumers should be done by themselves to avoid the shortfall of the capex done for a community. Further the individual capex will put a burden on the other consumer to share the Return on Equity.

As per para 58 (a) of the Vesting Order, the Commission allows the return on equity to TPSODL in line with the Tariff Regulations, on the equity capital of Rs. 200 crores (Indian Rupee Two hundred crores) only which was the reserve price of the utility of SOUTHCO.

It may further be stated that, As per Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, DISCOMS are entitled for Return on equity on assets put to use after Effective Date up to date of applicability of these Regulations.

Para 3.6.2. of Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 clearly **restrict asset funded by consumer contributions, capital subsidies/ Government grants for consideration as capital base for the purpose of calculation of Return on Equity.**

Accordingly, The TPSODL has calculated the ROE only on actual investment made by TPSODL as per approval of Hon'ble Commission. Capital investment of consumer is not included in capital base for calculation of ROE.

4. **Para no. 3 (Separate tariff for Seasonal Industries):**

3. *Though there is a provision for providing a separate tariff for seasonal industries in the Regulation, the Hon'ble Commission has not delved into this aspect in its tariff orders since the last two decades.* *Seasonal industries run for about 5 months a year and it is inappropriate to fix a flat tariff without any remission on demand charges for the off-season. Payment of Demand charges during the off-season is killing the industries as they have to pay 80% of demand charges even without operating their units. The Hon'ble Commission has a responsibility to fix seasonal tariffs congenial to seasonal industries safeguarding the interests of licensees at the same time. Encouragement of eco-friendly seasonal industries which are agro-based industries is the need of the hour. agro-based industries such as Cotton Ginning Mills, Jaggery plants, Salt production, Card board units, etc are based on agrarian production which is seasonal. Depending on farm products, they hardly run for about 4 to 5 months in a year. Fixing the same tariff for these industries for the entire year at par with others is unbecoming. Agriculture and Industry are two wheels of a cycle. Their sustainability depends on each other.* *So a viable tariff for seasonal industries in Odisha is the need of the hour, which is already being implemented by Several States helping in their economic development. At present seasonal industries are also being made to pay fixed charges for the entire year at the same rate at par with others. Though a provision is available in the OERC Regulations for fixing seasonal tariffs for such industries, the same was not implemented by OERC due to the apathy of the previous GOVT, which ignored the seasonal nature of industries.*
TPSODL Response: The concept of 80% demand charges is applicable for consumer HT Industrial and GP consumer having contract demand >100KW, where the licensee has to keep reserve the quantum of load availing by the seasonal consumer. Against the quantum of load kept reserve for consumer remains idle during non-use period, which cannot be allocated to any other consumer. Hence, the consumer has to pay minimum charges towards load kept for his use. However, for load less than 70 KVA, there is no concept of 80% demand charges. The consumer has to pay fixed charges/demand charges on the basis of his actual use.

5. Para no. 4 (GRF & Implementation of Orders):

> 4. *Though this regulation framed by the Regulator to protect the interests of the consumers in exercising of power under section 57,58,59 of Act 2003 in the Year SOP Regulations-2004 but till date not a single consumer availed the automatic compensation though there are prolific violations in standards of performance. The Commission needs to review as to why the GRF's are not inclined to award compensation to affected consumers for violation of SOP by licensee and prevail on the independent institutions.*

The licensee are not implementing the orders of GRF in time and true spirit of regulation, The Hon'ble OERC is prayed to review as to how many orders are implemented and numbers of pending cases beyond the deadlines and the reason for non-implementation of orders

TPSODL Response:

It may be submitted that, the Discom is adhering to the Orders of various Statutory bodies under law, unless it is against the spirit of the case.

6. **Para no. 5 (Automatic Compensation):**

5. The licensee should act upon automatic compensation to make benchmark of his own performance and should set targets to improve the service. But licensees are taking this provision of the regulation in a negative mode and are unable to understand the intention behind framing of Regulation SOP by the Regulator.
The Head of the Institution shall conduct quarterly meetings in this regard and report the status to the Commission. The same shall be available in the website for general information.

TPSODL Response:

As per clause-5 (3) of the Orissa Electricity Regulatory Commission (Licensees' Standards of Performance) Regulations, 2004, the liability of compensation under sub-clauses (1) to (2) shall be applicable to supply of electricity from such date the Commission may direct by order issued for the purpose.
However, till date no such directives have been issued by Hon'ble Commission.

7. **Para no. 6 (Manpower):**

6. Efficiency of operations is the core issue for sustainability. The Discoms have engaged work force many times over the erstwhile entities without evaluating the cost benefit ratio. The formula 1 :40, as projected by Licensees, shall be reckoned, i.e., the number of employees per thousand consumers is to be reckoned taking the entire workforce. Most of the labor-intensive works have been given to franchisees, as works like meter reading, collection, O&M works, etc., have been outsourced. So, in literal terms, the existing workforce is very high, resulting in considerable salary payments. There is a negative growth in real terms as the expense is more than the income.

TPSODL Response:

The justification of manpower expenses keeping in view real challenges faced for seamless operation, consumer satisfaction, project execution and other related activities has been elaborated in the ARR application FY 26-27, which may please be referred.

8. **Para no. 7 (Smart Meter):**

7. *It is a good proposal for absorbing the cost of meters under capital expenditure. Anyhow licensee is the owner of the meter till supply subsists. It is appropriate to bear the cost of his equipment. Cost-benefit analysis is required for the implementation of the proposal. The very means of business of electricity depends upon the sale of electricity to consumers. Metering is required for the sale of electricity to consumers. Hence it is the predominant responsibility to meter the sale of electricity to consumers by the Applicant as per the Electricity act, 2003 read with CEA Regulations and Distribution Code, 2019.*

   As per CEA regulations read with Government Policy, the cost of up-gradation of the metering system is to be borne by the Licensees to reap additional benefits viz remote disconnection, remote meter reading, time of day consumptions, anti-tampering features, accuracy of measurement, etc. Hence the licensee is getting numerous advantages due to the introduction of advanced metering due to technological up- gradation to his advantage which are at the same time of little use to consumers.

   It is further to reiterate that as per present practice, the cost of the meter is included in the estimate for new consumers in the Mo-Bidyut application whereby the cost of the meter is being collected unilaterally by licensees by circumventing the option available for consumers to opt for a rented meter. In this way, the licensees are collecting the meter cost from every consumer bypassing the regulation and Act 2003.The application of MO-Bidyut shall be modified accordingly till smart metering is implemented in full-fledged shape.

TPSODL Response:

It may be submitted that, TPSODL has submitted a petition with the Hon'ble Commission for waiver of meter rent vide case no 102 of 2024, which was disposed of by the Commission during the tariff proceedings for FY 25-26, wherein the Hon'ble Commission directed the waiver of smart meter rent for the Consumers upto 2 kW.

Further, for meter cost are not being charged for any new connection having contract demand up to 2 kW.

The Discoms are submitting the monthly status report on the Smart meter installation to the Energy Dept. for their review.

Further, as per the directive issued by the Hon'ble Commission, all the new smart meters are operating on Post-Paid mode by default, unless the consumer opts for the pre-paid mode.

9. Para no. 8 (Remunerativeness of Power Supply as Per Regulation-27 (Appendix-I) of Code 2019):

8. *Had the estimates sanctioned as per the statutory order or Hon'ble Commission, the gap in the present revenue requirement would have been much more than as shown in the*

present ARR. The Licensees hoodwink the prospective consumers by throwing the entire burden of the cost for extension of lines/construction of S/s's for new as well as additional loads without absorbing any cost as per Remunerative norms. Thereby they absolve their responsibility as a licensee to cater to the requirement of power by consumers by extension of their infrastructure. Therefore, the applicants/Licensee may be directed to furnish the below information as a rejoinder before the tariff hearing.

- i) *How many estimates have been sanctioned during years 2021-2024.*
- ii) *Out of these sanctioned estimates how many estimates considered under remunerative norms Govt./Private separately*
- iii) *While preparing estimates out of which how many numbers of estimates not sanctioned under remunerative scheme with reason.*
- iv) *The Applicant shall furnish voltage wise and category wise numbers of connections where LT/HT extensions are made for giving new connections/additions with consumer contribution and licensee contribution separately.*

TPSODL Response:

We would like to submit that, we are extending the benefits to the consumers as per the existing regulations under OERC Supply Code 2019.

Further, we have submitted our views/suggestions on the draft Supply Code notified by the Hon'ble Commission on related matters.

10. Para no. 9 (Processing Fees for each service as per Regulation):

9. *This is genuine request made by Licensee after two decades of privatization. We have been demanding for imposition of service charges from the beginning. And fixing rates for different services. It is most logical and right on the part of a licensee to get service charges for services being rendered. At present service charges are not collected for some services and for others, they are collecting at rates prevailing in OSEB era of pre-1998. This is not proper. Licensee is entitled to get his rightful service charges from consumers. This will also add in his miscellaneous income and compensate employee cost utilized for the benefit of consumers. However, the rates prescribed for various services are needed to be approved by Hon'ble commission. This is not being followed by Licensees.*
   Apart from the proposal a lot of services are being rendered by licensees like meter testing, attending fuse call etc for which service charges need to be fixed.

TPSODL Response:

It may be submitted that, the Discom had submitted the detailed fees with rationale during the last Tariff determination process applicable for FY 25-26, which had been reviewed by the Hon'ble Commission already.

11. Para no. 10 (Metering of GP consumers having Less than< 70KVA billed at GP Tariff):

10. *The licensee is metering LT GP consumers having less than< 70 KVA at HT in violation of tariff orders on the ground that they are availing supply at HT. This aspect is misread, misconceived and misinterpreted by licensees. By doing this the licensees are taking transformer losses twice i.e., once included in the pricing of LT tariff and again by HT Metering. It is most inappropriate to treat a consumer as HT by voltage and at the same time as an LT consumer based on a tariff. The tariff or the rate of electricity is charged in all categories depending upon the voltage as the sale of power is constituted at the point of delivery. The Hon'ble Commission has clarified in no uncertain terms in Regulation-97(ii) of the Code-2019 as follows;*

"In case of LT billing for HT supply by the order of the Commission no transformer loss shall be added to the billed units".
So, by the above, the commission clarified for billing at LT as the price fixed for these consumers is LT GP rate though they are availing HT supply. Metering shall be placed for the sale of energy at the delivery point i.e point of supply. Here the point of supply is LT because LT tariff is made applicable irrespective of supply voltage.

This point was also clarified in the tariff orders as follows; "General purpose Consumers with Contract Demand (CD)<70 KVA shall be treated as LT Consumers for tariff purposes irrespective of level of supply voltage. As per Regulation 134 (I) of OERC Distribution (Conditions of Supply) Code, 2019 the supply for load above 5 KW upto and including 70 KVA shall be through 3-phase, 3or 4 wires at 400 volts between phases". So metering is not be made for these consumers at_ HT as they are to be treated as other LT consumers irrespective of voltage, The consumers who are hitherto metered at HT instead of LT have paid losses twice and hence need to get back excess payments with action by the licensee to change the metering point immediately. A clarificatory and clear note in this regard is the need of the hour from Hon'ble Commission as the licensees are entering in unending litigation when this issue is raised by consumers misinterpreting the clauses which are detrimental to both licensees and consumers.

TPSODL Response:

It may be submitted that, the licensee is meticulously following the direction of Hon'ble Commission towards billing of GP Consumer having contract demand less than 70 KVA under LT tariff.

12. Para no. 11(The permission/feasibility for Prospective Consumers):

11. *The licensees are to submit the remunerative calculation along with every feasibility for every prospective consumer on his application for electricity. This mandatory provision is stipulated in the Distribution code as well as in consecutive tariff orders several times. But the licensees are brazenly violating the tariff orders as well as CODE-2019 and not enclosing remunerative calculation. The licensees are giving the cost estimate and asking the consumers to take up network expansion by themselves to hand over the same on payment of 6% supervision charges. Another important factor is that it is misinterpreted*

that remunerative calculation shall be made on actual consumption made for one year after giving supply. The regulation stipulates that the Licensee are to evaluate the remunerative norms as per the application and shall derive the portion of capital investment of the parties and shall adjust the capital investment for parity. The created assets are now in the assets account as if the asset investment made by them. The infrastructure deposit of govt. is not settled yet since the takeover of the new management. The portion of capital investment shall be refunded to the individual consumers. This action of licensee is deliberate violation and unfair trade practice and deficiency of service. This is to be recorded and reviewed and required to be adjusted in the ARR, The Hon'ble OERC shall act upon the issue to justify their orders.

As per Appendix I, if the licensee gets a 16% return on the investment, it is to invest the money for all LT works. For HT works, the licensee can ask consumers for the creation of a network at their cost which shall be reimbursed if found remunerative. In all cases, licensees arc throwing the burden of network creation on consumers in violation of Code-2019 and tariff orders.

Further, the licensees are required to show the peak and off-peak load of the distribution transformer in every feasibility and the ampere load in case HT feeder at the delivery ends. The licensee arc in practice of keeping the consumer in dark and demand upgradation cost on the gullible prospective consumers. The rights of the consumer of knowing the load profile of the DT are to be mandated in the interest of general public. The licensee is enhancing the capacity of net-work and distribution transformers at the cost of consumer and doing the business. This bad practice shall not be allowed and the consumers of Odisha shall not be allowed to be cheated.

TPSODL Response:

It may be submitted that, the licensee is duty bound to follow the provision of OERC (Distribution Supply Code, 2019) and other applicable rules and regulations and directives of the issued vide the Tariff Orders. However, if any consumer is aggrieved with non-fulfilment of Hon'ble Commission directives, Objector may bring such cases to the notice of the License for further necessary action.

13. Para no. 12 (Load Factor):

12. It is a pity that neither the Licensees have demanded to change the load factors in the Regulations which are in force from erstwhile OSEB period of 1991 nor suggested the requirement for such a change in the context of SD from prospective consumers or for calculation of Assessment under 126 and 135 of the acts. The data base containing the trend of consumption over the years is available with licensees. Hence it is high time to relook over the percentage of load factors for future adaptability.

TPSODL Response:

It may be submitted that, the licensee has already submitted its view on the subject matter to the Hon'ble Commission as part of its submission on the draft Supply Code notified.

14. Para no. 13 (Security Deposit Accounts):

13. *The Security deposit is a caution money as when required by the consumes to be refunded. Marinating the account s is a regulatory requirement is to be kept in a separate account. The details of individual accounts shall be available in the website of OERC and licensee for fairness and it is the duty of the Hon'ble Commission to review the same every year. The SD accounts with the claims for payment of Additional Security and refund of SD are to be checked through a third-party audit to avoid public discontentment. The confusion must be clarified by the Hon'ble OERC.*

TPSODL Response:

It may be submitted that, the licensee is maintaining separate accounts for each consumer for Security Deposit.
Further, TPSODL is collecting security deposit in accordance with the regulations.
It may also be noted that, the Discom has submitted the Independent Auditor's Report on the Security Deposit in compliance to the directive of the Hon'ble Commission in the Tariff Order for FY 25-26.

15. Para no. 14 (Rent on Meter Account):

14. *Meter Rent Account shall be audited and subject to scrutiny by a third-party audit and adjustment thereof as in the past the licensee were procured were procured/supplied under different central and state government scheme. In recent days there is a hue and cry by the consumer which are lumbering in news that the rent accounts of the licensee are not fair and collected more than the prescribed cost and months. After some time the licensee are stated that they have got the inherited rent accounts and now after the present management they are maintaining the account properly. The consumers are expecting the reply from the regulator on the fair accounts of rent on meter and claim meter.*

TPSODL Response:

TPSODL is duty bounded to follow the instruction and direction of the Hon'ble Commission. If the Hon'ble Commission decide so we will carry out the instruction.

It may be submitted that, TPSODL has submitted a petition with the Hon'ble Commission for waiver of meter rent vide case no 102 of 2024, which was disposed of by the Commission during the tariff proceedings for FY 25-26, wherein the Hon'ble Commission directed the waiver of smart meter rent for the Consumers upto 2 kW.

16. Para no 15 (Separate Cold Storage Tariff):

15. Preserving perishable goods is just as important as producing them. Seasonal Agro products like vegetables, fruits, and tamarind, chili abound in a particular season. Due to the limited scope of market intake, most of the products perish due to weather exposure. Electricity is the raw material for cold storage as they have to run round the clock to maintain temperature. The tariff charged by cold storage units is high for preservation due to the high cost of electricity. This situation is affecting cultivators and consumers equally as the former cannot sell his product at a viable rate and on the other hand the consumer has to purchase the products at exorbitant rates in un-season. It is not uncommon to hear news reports of farm products, such as tomatoes, being sold for as low as Re l per kg or being dumped on the roads in protest due to the lack of a minimum support price. Hence a separate tariff to be thought of for cold storages to promote private parties to have their own cold storage units as maintenance of cold storage is a continuous process and Govt failed to maintain the same in the past years. Most of cold stores are lying defunct only for maintenance. *The Government has an indubitable duty to safeguard the interests of farmers and consumers in a welfare state. In modern economies, a lot of thrust on the preservation of perishable goods including meat, and milk is taken in a public-private partnership in the interest of the state economy. It is expedient on our part to initiate a proactive action for setting up new cold storage units in every block / panchayat headquarters in a public-private partnership module (PPP Model) in our state which shall set an example to other states in our country. Such an attempt is only possible if the rate of electricity is reduced at par with Agriculture as the cost of the unit at present is coming to around Rs.4/- which is unaffordable and not sustainable for running cold storage.* *In this context, there is a need to change the mindset of Discoms who currently view cold storage as a business venture rather than as a means of preserving agricultural products. Reducing rates wilJ not significantly affect the Annual Revenue Requirement (ARR) of licensees, as the electricity consumption of this category accounts for far less than a fraction of the overall intake of electricity.*
TPSODL Response: The allegation of the Ld. Objector that DISCOMs viewed cold storage as a business venture rather than as a means of preserving agriculture product is purely baseless and false. The DISCOMS duty is to categorise a consumer based upon its purpose of use and bill them at the rate approved by Hon'ble Commission. This is further to submit that considering the reasons mentioned by ld. Objector, Hon'ble Commission reduced the rate of Allied Agro-Industrial tariff in Tariff Order 2023-24.

17. Para no. 16 (Data Base of Reliability of Power Position):

16. The most important part of the ARR is DATA BASE. The data of power position of the licensee area shall be available in the website of the inspectorate who are designated nodal agency for approval of network planning drawings, Initial safety certification of line network/installations, Authority for standardization of meter (STL), authority for meter disputes and accuracy. Annual /periodical inspection of installations, Authority for use of standard of materials and equipment's, Authority for conservation of electricity, Authority for inspections of electricity accidents, Appeal leant authority under Sec 127 of Act 2003, inspection authority for DG Sets, Authority for collection of Electricity Duty are dark on the power position of the state, Though the designated office are functioning in all the districts they depend on the data of the private licensee. Since the licensee is a private interested party therefore the data is not reliable. The authorities are disposing the issues on the data of private licensee and deprived of consumer rights. Therefore, the disposal of issues by the authorities are unfair and violative of statute. The Hon'ble regulator shall act upon all fairness of data, accounts of finance and reliability of power (Schedule power cuts/ unscheduled power cut and outages. Though, the inspectorate vested all these powers having no teeth to act upon independently. This the fact of regulatory resume after 25 years reform of power sector.

TPSODL Response:

Allegation of the Objector regarding increase in power outage during TATA Power tenure is also not correct. Rather power outage during TATA Power tenure is reduced substantially and decreasing year by year. The power supply hours have been 23:11 hrs in average during 2024-25. This can be observed from the SAIDI (System Average Interruption Duration Index) and SAIFI (System Average Interruption Frequency Index) are given in the table below.

FY	SAIDI (Hrs)	SAIFI (Nos)
2021-22	155.63	233.74
2022-23	268	326
2023-24	267	326
2024-25	271	316

Further, in TPSODL area, there is no intentional power cut except for the breakdown and outage taken for the purpose of preventive maintenance. TPSODL has been providing a steady and reliable power supply to its customers across its geography.

ANNEXURE-11

TPSODL Response to Objections/Queries raised

Case No. 132, 133, 134 & 135 /2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
NOTARY PUBLIC
Berhampur, Gm., Odisha

TPSODL

TPSODL/Regulatory/2026/17/543 (2) 27-January-26

To,
Shri. Ananda Kumar Mohapatra
Freelance Power Analyst
Plot No.- 799/4, Kotiteertha Lane
Old Town, BBSR – 02

Sub: Case No. 132, 133, 134 & 135 of 2025 (ARR, Truing Up, HT/EHT/LT application of TPSODL) Objections/Observations of Shri. Ananda Kumar Mohapatra.

Ref.: Your submission dated 16th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

1. Para no. 1.1 (Line networks inclusive of meters transferred to TP DISCOMs):

Respondent's view/objection: Line networks inclusive of meters transferred to TP DISCOMs. Data relating to line networks from the date of vesting needs to be provided.

TPSODL Response:

It is submitted that since the vesting of the License, TPSODL is making every effort to discharge its obligations and has complied with all performance parameters stipulated in the Vesting Order dated 28.12.2020, issued by the Hon'ble Commission in Case No. 83/2020, as well as other performance parameters prescribed under the applicable statutes and regulations. Owing to the constructive intent, consistent efforts and timely guidance of the Hon'ble Commission, TPSODL has successfully transformed itself from a loss-making entity into a financially viable company. Its achievements have gathered recognition and accolades at the national level.

Furthermore, TPSODL has time and again provided the half yearly performance and annual performance reports to the Hon'ble Commission by way of Half yearly or Annual performance review of DISCOMs conducted, as & when required.

It may be submitted that, the record of assets was not being maintained on a real time basis properly during the erstwhile discom period, which was only being done on a cumulative basis. Post takeover, the licensee has undertaken extensive GIS mapping of the distribution network and distribution assets and thus the information been updated, which has been presented as part of the Performance Review submission.

The Objector may kindly consider the above submission.

2. Para no. 1.2 Nothing interest of Tata is seen in Metering & Energy Audit :

Respondent's view/objection: Nothing interest of Tata is seen in Metering & Energy Audit.

TPSODL Response:

In this regard, it is submitted that all metering related works of 11kV feeders & DTRs undertaken by TPSODL are being implemented strictly in accordance with the approvals accorded by the Hon'ble Commission under the respective CAPEX Orders.

It is further submitted that metering and energy audit activities are being carried out in a phased and systematic manner. As part of this approach, DTRs of capacity 100 kVA and above are being taken up on priority for metering and energy audit, as these assets have a significant bearing on system loss assessment and network performance. Metering of the remaining distribution transformers and network elements shall be undertaken progressively in subsequent phases, in line with approved CAPEX and implementation schedules.

Additionally, TPSODL has undertaken 100% consumer mapping and indexing of its consumer base, which is a critical enabler for effective energy accounting and audit. This initiative ensures accurate linkage of consumers to distribution transformers and feeders, improves data integrity, facilitates precise loss analysis, and supports targeted system strengthening measures. The benefits of this exercise accrue directly to consumers through improved system reliability, transparency, and overall quality of supply.

3. Para no. 1.3 Phasing out all DTRs below 63 kVA.

Respondent's view/objection: Phasing out all DTRs below 63 kVA.

TPSODL Response:

It is submitted that, as per the directives and guidelines issued by the Hon'ble Commission, TPSODL is undertaking systematic upgradation of DTRs as part of its network strengthening and loss reduction initiatives. These upgradations are being carried out in a phased manner under the approved CAPEX plans of the Company.

It is further submitted that DTRs below 63 kVA are well-suited for rural habitations, sparsely populated areas, agricultural pockets, and remote villages where connected load and demand density are low. Installing higher-capacity DTRs in such areas would be economically inefficient and may lead to underutilization of assets.

Accordingly, lower-rated DTRs are being gradually replaced with higher-capacity transformers based on load growth, system requirements, and technical feasibility. This planned upgradation process will result in the progressive phasing out of DTRs below 63 kVA over a period of time. As per directive of OERC, DTR upgradations are being carried out, which will gradually phase out the lower rated DTRs.

4. Para no. 1.4 High Fatal Accidents:

Respondent's view/objection: High Fatal Accidents.

TPSODL Response:

At the outset, it may be submitted that the licensee TPSODL places the highest priority on safety and any incident resulting in fatality is treated with utmost seriousness and concern. In this regard, it is submitted that the Licensee has significantly strengthened its incident reporting and monitoring mechanisms and all safety-related incidents are being reviewed and reported on a monthly basis before the Hon'ble Commission.

Further, TPSODL has implemented a comprehensive safety framework covering preventive, corrective and monitoring measures. These include:

a) Periodic skill upgradation and safety training programs for employees and contractor personnel to reinforce safe work practices.
b) Mandatory use of Personal Protective Equipment (PPE) with strict on-site enforcement.
c) Strict implementation of the Work Permit and Line Clearance system to ensure electrical safety during maintenance and operational activities.
d) Deployment of technology-driven monitoring tools, including digital reporting, geo-tagging and supervisory controls to enhance compliance and real-time oversight.
e) Regular field visits, inspections, and safety audits by senior management, aimed at reinforcing safety culture, identifying gaps and ensuring accountability at all levels.

5. Para no. 1.5 No format designed by OERC for performance review of DISCOM:

Respondent's view/objection: No format designed by OERC for performance review of DISCOMs.

TPSODL Response:

In response to the views submitted by the learned Objector, it is submitted that the Hon'ble Commission has prescribed specific formats and information requirements for various performance reviews (half yearly & annually) and regulatory

submissions of Distribution Licensees. Accordingly, TPSODL submits detailed information strictly as per the formats and templates specified by the Hon'ble OERC from time to time. In addition to above formats, the Hon'ble Commission

6. Para no. 1.6: Excess Tariff Recovery

Respondent's view/objection: Excess Tariff Recovery.

TPSODL Response:

DISCOMs are charging electricity tariff strictly in accordance with the tariff approved and notified by the Hon'ble Commission for the respective financial years. Tariff determination is a two-stage regulatory process. In the first stage, the tariff for the ensuing financial year is approved by the Commission based on prudent estimates of revenue and expenditure. In the second stage, a "true-up" exercise is undertaken wherein actual revenues and expenses are examined, and any surplus or revenue gap so established is appropriately passed on to consumers in accordance with regulatory principles.

However, determination of tariff to be charged from different consumer categories is the prerogative of the Hon'ble Commission u/s 62 & 86 of the Electricity Act, 2003.

Notwithstanding the above, due to improved operational efficiency and prudent cost management by DISCOMs, retail tariffs have remained stable over the last four years. Further, for FY 2024-25, the domestic tariff was reduced by 10 paise per unit, benefiting nearly 90 lakh consumers across the State.

The true-up exercise for FY 2023-24 and FY 2024-25 is presently under process. It is reiterated that tariff determination on an estimated basis followed by post-facto true-up is a continuous and well-established practice in the power distribution sector across the country, duly backed by the regulatory framework and the provisions of the Electricity Act, 2003.

7. Para no. 1.8: Employee Cost.

Respondent's view/objection: High Employee Cost.

TPSODL Response:

It is a fact that recruitment was prohibited by Hon'ble Commission in the past for which no recruitment was made by erstwhile Southco Utility. However, on transfer of utility to TPCL as per terms of vesting order staff deployment plan has been duly approved. Accordingly, as per para 50(c) of the vesting order TPSODL shall have the operational flexibility to design the organisation structure to ensure efficiency in operations and staff deployment.

The addition of new employees was deemed necessary to narrow this gap and ensure the efficient functioning of the DISCOMs. Hon'ble Commission through letter No. OERC/RA/TPWODL-38/2021/18 dated 17.01.2022 with amendment on 18.01.2022, had permitted the fill up of 263 nos. retirement vacancies. The Hon'ble Commission granted this approval with the condition that the ratio of employees per one thousand consumers should not exceed 1.40.

It may be further submitted that, TPSODL's effective manpower for FY 26-27 works out to be 1.32 with a projected consumer base of 23.10 lacs, which is well below the guideline issued by the Hon'ble Commission.

Considering the expenses of existing employees, including terminal dues of pensioners/ family pensioners and for proposed recruitment during ensuing year, the employee cost as proposed, i.e Rs. 584.02 Cr. for FY 26-27 is justified.

It may be submitted that, the Hon'ble Commission has always approved the component-wise ARR of DISCOMS on cash outgo basis with prudence check and proper justification, so it is evident to do the same this year.

8. Para no. 2: Illegal collection of Additional Security Deposit (ASD)

Respondent's view/objection: Illegal collection of ASD.

TPSODL Response:

It is submitted that Security Deposit is a statutory requirement under Section 47 of the Electricity Act, 2003, r/w provisions of the OERC Distribution (Conditions of Supply) Code, 2019. The Security Deposit is intended to secure an amount equivalent to approximately two months' electricity charges, serving as a safeguard against the credit period extended to consumers.

In accordance with Section 47 of the Electricity Act, 2003 and the OERC Supply Code, 2019, DISCOMs are required to undertake an annual review of the Security Deposit for each consumer based on the average electricity consumption during the immediately preceding financial year. Where such review reveals a shortfall or excess in the existing Security Deposit, the differential amount is required to be recovered or adjusted through subsequent electricity bills, as applicable. This annual review mechanism is necessitated by variations in consumption patterns and changes in applicable tariff rates.

Accordingly, the demand raised by the DISCOMs on the basis of electricity consumption for FY 24-25 has been strictly in compliance with the applicable statutory and regulatory provisions. Periodic review and revision of Security Deposit, as prescribed under the regulations, is essential to safeguard the financial integrity of the distribution business by mitigating recovery risks and is fully aligned with the objectives of the Electricity Act, 2003.

The demand and annual review of Security Deposit is a uniform and well-established practice followed by DISCOMs across the country. The Security Deposit is refundable upon termination of the electricity connection, subject to adjustment of any outstanding dues. It is also pertinent to note that consumers having prepaid meters are exempt from the requirement of furnishing Security Deposit. In view of the above, the demand for additional Security Deposit is legal, justified, and in full conformity with the prevailing statutory and regulatory framework.

As per the provisions contained in the Vesting Orders, DISCOMs are not permitted to utilize Security Deposit amounts for their operational requirements. These funds are maintained separately and invested in fixed deposits with scheduled banks. The interest accrued on such fixed deposits is duly accounted for as non-tariff income and offered in the ARR. Since the date of vesting, all DISCOMs have consistently disclosed the interest earned on Security Deposit-related fixed deposits in their ARR filings.

Further, in accordance with the directions of the Hon'ble Commission, DISCOMs are required to pay interest on Security Deposits to consumers at the rate specified by the Commission in the applicable Tariff Orders. For FY 25-26, the approved rate of interest is 6.50% per annum. The interest amount is credited annually through electricity bills on 1st May of each financial year. In compliance with this requirement, DISCOMs have credited interest on Security Deposits pertaining to FY 24-25 to all eligible consumers on 1st May 2025.
The Hon'ble Commission undertakes a prudence check of both the interest earned on fixed deposits and the interest paid to consumers on Security Deposits for all DISCOMs. Based on such prudence review, the actual interest earned and paid is considered by the Commission during tariff determination.
Further, the directions issued by the Hon'ble Commission under Clause 214 of the RST Order for FY 25-26 have been duly complied with and a comprehensive audit report in this regard has been submitted to the Commission.

9. Para no. 1.10: APERC refunded excess tariff recovery, why not OERC.

Respondent's view/objection: APERC refunded excess tariff recovery (Rs. 923.50 Cr.), why not OERC.

TPSODL Response:

It is submitted that the refund of Rs. 923.50 Cr. relates to excess collections made by the 3 Andhra Pradesh DISCOMs, namely APSPDCL, APCPDCL and APEPDCL during FY 24-25 under the Fuel and Power Purchase Cost Adjustment (FPPCA) mechanism. The FPPCA is levied to account for variations in fuel and power procurement costs arising primarily due to increases in fuel prices at generating stations.

The Hon'ble APERC, in accordance with the applicable FPPCA regulations, directed the refund of the excess amount, as the regulatory framework explicitly mandates that any surplus recovery under this mechanism shall be returned to consumers.

In the State of Odisha, while enabling provisions for implementation of FPPCA exist within the regulatory framework, the mechanism has not been invoked by GRIDCO or the DISCOMs. This is on account of the absence of any requirement for such levy, attributable to relatively stable coal prices and comparatively lower coal transportation costs during the relevant period.

10. Para no. 5.3: Levy of intra-state Transmission Charges on CGPs will reduce RST.

Respondent's view/objection: Levy of intra-state Transmission Charges on CGPs will reduce RST.

TPSODL Response:

It is submitted that the levy or otherwise of intra-state transmission charges on CGPs is a regulatory and policy matter falling within the jurisdiction of the Hon'ble Commission. Any decision in this regard is required to be taken by the Hon'ble Commission after due consideration of the applicable regulations, sectoral implications and the overall interest of consumers. Accordingly, it is submitted that the Hon'ble Commission may take a prudent and balanced decision on the matter.

11. Para no. 6: Installation of Smart Meters.

Respondent's view/objection: Installation of Smart Meters.

TPSODL Response:

It is submitted that as per the prevailing regulatory framework and statutory directives, smart meters are mandated for use in the distribution of electricity to consumers. The requirement for installation of smart meters flows from the following provisions:

a. The Central Electricity Authority (Installation and Operation of Meters) (Amendment) Regulations, 2022.
b. Notification No. CG-DL-E-26052022-236032 dated 26.05.2022 issued by the Ministry of Power, Government of India.
c. Clause 97(iv)(3) of the OERC Distribution (Conditions of Supply) Code, 2019 and

d. The Hon'ble Odisha Electricity Regulatory Commission's letter dated 03.05.2023, which further prescribes prioritization for installation.

In accordance with the above statutory and regulatory directions, installation of smart meters is being undertaken strictly as per the priority order specified by the Hon'ble Commission vide its letter dated 03.05.2023. In addition to priority categories, meters that are found to be tampered, defective, or obsolete, including mechanical meters, are being replaced with smart meters. Replacement of such meters directly with smart meters is a prudent and consumer-centric approach, as it eliminates the need for repeated meter replacements within a short period and thereby avoids any additional financial burden on consumers in the future. This approach is fully aligned with the regulatory mandate and supports the long-term objectives of improved efficiency, accuracy, transparency and reliability in metering and billing.

12. Para no. 6.2: Unlawful act of Tata Power causes distrust among Consumers.

Respondent's view/objection: Unlawful act of Tata Power causes distrust among consumers.

TPSODL Response:

It is submitted that Smart meters are manufactured strictly in accordance with IS 16444, as prescribed by the Bureau of Indian Standards (BIS), Government of India. Prior to commercial production, every smart meter model is required to undergo Type Testing from NABL-accredited laboratories of the Government of India, namely CPRI and ERDA. Post-production, each individual meter is tested by the manufacturer in compliance with the guidelines issued by the Government of India. Further, before installation at consumer premises, meters are again tested by the DISCOMs in their NABL-accredited Meter Testing Laboratories.

Smart meters specifications prescribed under IS 16444 Code does not allow the utility to edit the energy consumption recording. It is completely inaccessible to the utility and it is like a black box. It is a globally accepted tool to ensure accurate billing, reduce power theft, improve service quality, and restore financial health of power sector.

Technically, static meters and smart meters are fundamentally identical in terms of metrological accuracy and core measurement functionality. The only additional feature in a smart meter is the provision for secured bi-directional communication between the meter and the central server, which is logically and electrically isolated from the metering and recording circuitry.

In cases where consumers perceive inflated billing, an established grievance redressal mechanism is available. Consumers may lodge complaints with the respective DISCOMs, which are addressed in a time-bound manner. Additionally, consumers may apply for installation of a check meter in accordance with the procedure laid down under the OERC Distribution (Conditions of Supply) Code, 2019.

On receipt of complaint regarding accuracy of smart meters, dedicated on site teams equipped with Standard Accu-Chek to test the meters at site. In case consumers are still aggrieved, the meters are sent to NABL accredited meter testing labs situated at Cuttack and Bhubaneswar and is tested in front of consumers.

Further, consumers have the choice to get the meter tested at Standard Testing Lab, Bhubaneswar. This is under control of Govt. of Odisha directly.

13. Para no. 6.3: Illegal collection of Meter Rent from the Consumers who have given power supply under Govt. grant/ Subsidy Schemes/ Programs.

Respondent's view/objection: Illegal collection of meter rent from consumers who have been given power supply under Govt. grant/ subsidy schemes.

TPSODL Response:

Odisha DISCOMs charges meter rent, tariffs and other charges in accordance with the Retail Supply Tariff (RST) Orders and Supply Code, 2019 as issued by the Hon'ble Commission. The erstwhile power utilities installed the meters in question, and the TP DISCOMS inherited this legacy infrastructure and associated billing processes when they took over the operations. The meters under the Saubhagya and IPDS schemes were installed prior to the current Odisha DISCOMs taking over electricity supply operations in the state. The associated billing processes are part of this inherited legacy.

TP DISCOMs proactively raised this matter with Hon'ble Commission, seeking regulatory guidance to address the inherited anomaly. As per guidance received, all DISCOMs stopped charging meter rent to consumers under these specific schemes from 01st April 2024. Also, desired relevant information is shared with the Commission. The rent collected from such government-funded meters has been duly accounted for and again submitted for true-up adjustments, ensuring that all funds are correctly accounted for. The Odisha Discoms are subject to audit by an independent auditor and prudence checks by the Hon'ble Commission.

14. Para no. 6.4 : No CAG audit due to privatization of DISCOMs.

Respondent's view/objection: No CAG audit due to privatization of DISCOMs.

TPSODL Response:

It is submitted that TPSODL functions as a licensed and regulated Distribution Licensee under the provisions of the Electricity Act, 2003 and operates under the regulatory oversight of the Hon'ble Commission. Post-privatization, the statutory audit framework applicable to TPSODL is in accordance with the provisions of the Companies Act, 2013 and other applicable laws.

Accordingly, the Licensee's accounts are subject to statutory independent audit by auditors appointed as per law and are also reviewed through multiple layers of regulatory scrutiny, including detailed examination during tariff determination proceedings, annual performance reviews and compliance submissions before the Hon'ble Commission. The Hon'ble Commission has the authority to seek information, conduct reviews and issue directions as deemed appropriate.

15. Para no. 7: Truing up for FY 24 & FY 25

Respondent's view/objection: Truing up for FY 24 & FY 25 – Regulatory Provisions.

TPSODL Response:

It is submitted that the Licensee has filed the truing-up petitions in accordance with the Audited financial statements as well as the Tariff Regulations, 2022. Furthermore, the Licensee goes through prudence check before the Hon'ble Commission w.r.t all the Power Purchase & Distribution cost parameters as & when required.

16. Para no. 7.4 Approved Power Purchase Cost (PPC) versus trued up PPC :

Respondent's view/objection: Abnormal Power Purchase Costs (PPC) for FY24 & FY 25.

TPSODL Response:

It is submitted that the Licensee has claimed the power purchase costs in accordance with the Audited financial statements as well as the Tariff Regulations, 2022.

Furthermore, para 3.14.4 of the Tariff Regulations, 2022 provides as under:

> *"3.14.4 The Distribution Licensees shall adhere to the committed AT&C loss reduction trajectory for future years (Annexure III) as per the Vesting Orders. Any gains or loss arising from over-achievement or under achievement of AT&C*

loss reduction vis-avis the regulated AT&C loss provided for Tariff determination in Annexure-III shall be retained by Distribution Licensee. *Sample computation for gains/ losses arising from over/ under achievement of AT&C loss reduction vis-a-vis the regulated AT&C loss is provided below:"*

Accordingly, the Licensee has claimed the gain/ loss arising from over-achievement or under achievement of AT&C loss reduction in the power purchase cost.

17. Para no. 8: ARR & RST for FY 27

Respondent's view/objection: Prudence checks of Truing-up petitions & ARR petition.

TPSODL Response:

It is submitted that the Licensee has claimed the costs in the Truing-up & ARR petitions strictly in accordance with the Tariff Regulations 2022. All such petitions are subject to detailed scrutiny and prudence checks by the Hon'ble Commission. The Commission examines the reasonableness of costs, efficiency of operations, compliance with regulatory norms and justification of claims based on actual performance and supporting data.

The prudence check process includes analysis of controllable and uncontrollable costs, capital expenditure, power procurement expenses, and operational parameters. Further, the Hon'ble Commission conducts public hearings on ARR and tariff petitions, providing an opportunity to all stakeholders, including consumers, to present their views and objections. The final approvals are granted only after due consideration of the submissions of the Licensee, stakeholder inputs and the Commission's own assessment.

18. Para no. 9: Open Access Charges for FY 27.

Respondents View/ Objection: Open Access Charges for FY 27.

TPSODL Response:

The Hon'ble Commission has been reducing the applicable CSS for tariff fixation for the various categories viz. EHT and HT over the period of time. The Commission has been following the formula for computing the OA charges and cross subsidy charges as prescribed in tariff policy notified by MoP. Hon'ble Commission while approving the cross-subsidy surcharge follows the formula as prescribed in Para 8.5.1 of the Tariff Policy.

Also, Clause 8.2 of the National Tariff Policy provides for the Commission to balance the revenue with expenditure is such a way that tariff for cross-subsidised categories and cross-subsidising categories remains within ±20% of the average cost

of supply. The Hon'ble Commission while approving the cross-subsidy surcharge payable every year allowing certain percentage of computed value. Therefore, recovery of cross subsidy has been reducing. Now, CSS of EHT consumers has been projected at 271 paise per unit and CSS for HT consumers it is only 24 paise per unit.

19. Para no. 12: Normative HT Loss 8% is very high.

Respondents View/ Objection: Normative HT Loss 8% is very high.
TPSODL Response: The Hon'ble Commission in its RST Order for FY 25-26 has approved the HT loss to the tune of 8% which is justified in the current situation. TPSODL is engaged in system strengthening, network augmentation, setting up 33/11 kV substations in order to increase the power situation and reach to consumers. The Licensee hopes that in future years the T&D loss may be reduced considering the improved and upgraded network status prevailing at the time.

ANNEXURE-12

TPSODL Response to Objections/Queries raised

Case No. 132, 134 & 135 /2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
Minati Rath
NOTARY PUBLIC
Berhampur. Gm., Odisha

TP SOUTHERN ODISHA DISTRIBUTION LTD. BERHAMPUR

TPSODL

TPSODL/Regulatory/2026/24/550 (2) 27-January-26

To,
The Utkal Chamber of Commerce & Industry Ltd. (UCCI)
(Represented through Mr. Bibhu Swain, Chairman-Electricity Power Committee)
N-6, IRC Village, Nayapalli
Bhubaneshwar – 751015, Odisha.

Sub: Case No. 132, 134 & 135 of 2025 (ARR, HT/EHT/LT Open Access applications of TPSODL) – Objections/Observations of M/s. Utkal Chamber of Commerce and Industry Ltd.

Ref.: Your submission dated 16th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

Appendix

1. That, TPSODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2026-27 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004.

   Reply to the points raised by the Ld. Objector are furnish hereunder.

2. **Para no. 3 (Employee Expenses):**

The TPSODL has projected Employee Cost expenditure at Rs. ***619.39*** *Crores for FY 2026- 27 against Rs.* ***546.91*** *Crores as approved by the Hon'ble Commission to be spent during FY 2025-26.*

The total manpower cost and total manpower deployed needs to be assessed by considering the regular and outsourced manpower. Even the metering, billing and collection activities and expenses there of should be considered under employee cost and not under Administrative & general Expenditure cost

The ratio of employee per 1000 consumers should be written the limit specified by the Hon'ble OERC (i.e. 1.40) considering total regular and outsourced manpower and the manpower involved in metering, billing and collection activities.

Therefore, the employee cost proposed by all the four DISCOMs for FY2026-27 may kindly be approved after prudence check by the Hon'ble Commission.

TPSODL Response:

The licensee has estimated the employee expenses for the ensuing financial year basing on the actual employee cost for the first six months of the current financial year. The various factors considered for estimating the employee cost have been elaborated in the application of the licensee.

It may be submitted that, TPSODL has filed the details of the no of employees and the other relevant details as per the prescribed format as a part of the ARR petition for FY 2026-27. To keep the manpower cost optimized, TPSODL has recruited majorly trainees - Graduate Engineer Trainees, Diploma Engineer Trainees, Commercial Trainees (general Graduates). Same philosophy has been extended to the ensuing year 2026-27.

That, the effective manpower per 1,000 consumer ratio works out to be 1.32 for FY 2026-27 with an active consumer base of 23.10 lacs. It is evident that the licensee is managing the operations within a vast geographical area with one of the lowest employees to consumers ratio.

That, the effective manpower per 1,000 consumer ratio works out to be 1.32 for FY 2026-27 with an active consumer base of 23.10 lacs. It is evident that the licensee is managing the operations within a vast geographical area with one of the lowest employees to consumers ratio.

The details of manpower position along with year wise recruitment and retirement/attritions have been furnished before Hon'ble Commission for kind perusal.

Further, the organization has undertaken a comprehensive optimization and strategic redeployment of the inherited outsource and contractual workforce across multiple functional domains and geographical locations. This systematic process has facilitated the identification of operational gaps, service delivery shortcomings, and efficiency improvement opportunities. The insights gained from this redeployment exercise have proven instrumental in formulating an enhanced and optimized Manpower Recruitment and Deployment Policy for future organizational expansion and operational excellence.

That, based on the above, the licensee has requested the Hon'ble Commission to consider the projected Outsource and Contractual employees Cost of Rs 132.71 Cr for FY 2026-27.

In view of the above, it is proposed before Hon'ble Commission to approve the proposed employee cost of Rs. 584.02 Crs (net) for the ensuing financial year FY 2026-27.

3. Para no. 4 (Administrative and General Expenses):

The TPSODL has projected Administrative and General (A&G) expenditure at Rs. 177.29 Crs for FY 2026-27 against Rs. 128.98 Crs as approved by the Hon'ble Commission to be spent during FY 2025-26.

Respondent's view /suggestion: Hon'ble Commission may conduct a prudence check regarding A&G cost for each year. We submit that the Hon'ble Commission may allow a 7% increase in the earlier approved A&G Expenses for FY 2026-27 or actual A&G Expenses or which ever is lower.

TPSODL Response:

As per the terms of Tariff Regulation, 2022 Hon'ble Commission approves the A&G expenditure of the Licensee wherein the provision of escalation of 7% hike over previous year approval along with additional expenses (subject to prudence check) towards improvement in performance for special measures to be undertaken are permitted.

TPSODL in its ARR petition for FY 26-27 had prayed that the Hon'ble Commission approve the proposed A&G expenses for FY 26-27, considering historical trends, the prevailing inflation scenario, and the Licensee's additional requirements in a prudent manner.

Billing and collection expenses are generally classified as controllable. A portion of these expenses is influenced by factors beyond the direct control of DISCOM, including statutory revisions in wages and labor-related costs, expansion of the consumer base, enhanced service quality and consumer protection obligations, deployment of advanced metering and digital billing systems, strengthening of cyber security & IT infrastructure, and overall inflationary trends. Further, measures undertaken to improve billing efficiency, strengthen collection efficiency, reduce AT&C losses and enhance consumer grievance redressal may entail incremental expenditure in the initial years, even though they contribute to sustained operational efficiency and long-term cost optimization. TPSODL therefore submits that reasonably incurred increases in billing and collection expenses, undertaken in the interest of reliable, transparent and consumer-centric distribution services, merit due consideration by the Hon'ble Commission.

4. Para no. 5 (Depreciation Cost):

That the TPSODL has projected depreciation expenditure at Rs. 136.2 Crore for FY 2026-27 against Rs. 105.05 Crore as approved by the Hon'ble Commission to be spent during FY 2025-26.

Respondent's view /suggestion: Depreciation should not be allowed to be recovered on assets created out of Govt. grants irrespective of whether the corresponding grant is transferred to the distribution licensee or not. The depreciation cost proposed by TPSODL for FY 2025-26.

TPSODL Response:

Section 3.8 of OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations,2022 stipulates the method of calculation of depreciation. In line with the provisions of the regulation, the depreciation calculation has been done and the details have been submitted in the application of the licensee which may please be referred.

Further, the Discom has also provided list of assets created by various State and Central Govt. agencies under various schemes for review of the Hon'ble Commission.

5. Para no. 7 Repair and Maintenance (R&M) Expenses:

Respondent's view /suggestion: That the TPSODL has projected Repair and Maintenance Expenses at Rs. 232 Crs for FY 2026-27 against Rs. 166.15 Crs as approved by the Hon'ble Commission to be spent during FY 2025-26.

TPSODL Response:

Based on the learning from last 5 years of stabilised operation, TPSODL had further optimised the comprehensive AMCs along with the manpower deployment structure for all six circles for operation and maintenance of 33KV, 11KV & LT assets to create a culture of preventive maintenance. The Performance Based Maintenance Contract also includes 24X7 Breakdowns Crews for restoration of 33KV & 11KV feeders and substation equipment. Besides, preventive maintenance activities are being performed as per the maintenance plan using the SAP PM system.

The network is being inspected regularly through manual patrolling as well as drone inspection in forest and inaccessible areas. Thermo-scanning is done for the entire network using high power thermo scanning cameras and to identify the defects, hotspots and attend breakdowns in quick time and perform preventive maintenance activities to enhance system reliability by rectifying the probable faults even before they occur.

It may be submitted that, the Petitioner has already shared the below documents to the Hon'ble Commission for further review and prudence check –

(i) Fixed Asset Register (FAR) for FY 2021-22, FY 2022-23, FY 2023-24 and FY 2024-25.
(ii) statement of assets created out of Government funding and assets transferred by GRIDCO in the form of kind for equity contribution (from the date of vesting)
(iii) detailed statement of the assets discarded/retired due to attainment of 90% of depreciation year-wise.
(iv) detailed statement of the assets still in use and continue to be in gross fixed asset after attainment of 90% depreciation till date.

Further, the Discom has also provided list of assets created by various State and Central Govt. agencies under various schemes for review of the Hon'ble Commission.

6. Para no. 8 Revenue Requirement:

That the TPSODL has given the proposal for an annual revenue requirement of Rs. 2534.49 Crore for FY 2026-27 against Rs. 2208.57 Crore as approved by the Hon'ble Commission to be spent during FY 2025-26.
Respondent's view /suggestion: Revenue Requirement

TPSODL Response:
The licensee has projected the Revenue Requirement of Rs.2534.49 Crs. projecting each of cost component observing the norms fixed by Hon'ble Commission in the Tariff Regulation, detailed break-up and justification of each has been furnished in the ARR application of the licensee.

7. Para no. 12: Privatization, Performance of DISCOMs and Quality of Power Supply.

Respondent's view /suggestion: DISCOM should present a detailed sales estimate for each consumer classification to Hon'ble OERC for approval. DISCOM has only provided voltage –wise sales which violates Regulation 5.3.4 of OERC Wheeling &RST Regulations, 2022.

TPSODL Response:

The learned objector is requested to refer to the details given in ARR application Format T-1, wherein the voltage wise, category wise -number of consumers, consumption and load for the previous financial year, for first six months of the current financial year and the projection for the ensuing financial year has been furnished along with the corresponding loss levels and the total power input requirement.

Under T2 and T3, for domestic and commercial category of consumers, load wise slab wise actual consumption for the previous financial year and first six months of the current financial years are furnished. Under T5, load-wise consumption details of Irrigation & Agricultural Consumers, Allied Agricultural Activities & Allied Agro-Industrial Activities consumers have been furnished.

Under T9, month-wise consumption of EHT /HT consumers with load more than 1MVA has been furnished in addition to that details upto January also submitted before Hon'ble Commission.

Under performance format P8, month-wise details of Maximum demand individual consumer-wise for consumers with load more than 110KVA have been furnished.

Under, Performance Format P9, consumer-wise month wise consumption details for load more than 110KVA have been furnished for the previous financial year as well as for the first six months of the current financial year. Consumer wise details as required under the ARR Tariff as well as Performance formats is possible only because the licensee maintains robust database of all consumers with desired particulars in adherence to the provisions of Regulation 5.3.4 of OERC Tariff Regulation,2022.

Thus, the Licensee complies to the relevant provision of OERC Wheeling &RST Regulations, 2022.

8. Para no. 13: Privatization, Performance of DISCOMs and Quality of Power Supply.

Respondent's view /suggestion: Regulation 2.14.2 of OERC Tariff Regulation, 2022mandates that Hon'ble OERC shall treat the profit beyond approved return as 1/3rd to be declared as dividend, 1/3rd to be returned to the consumers by way of reduction in consumer bills as rebate and 1/3rd as Tariff balancing reserve.

TPSODL Response:

Hon'ble Commission while disposing the truing up application, treats the profit on account of improved performance in adherence to regulation 2.14.2 of Tariff Regulations.

9. Para no. 14 : Distribution Loss Trajectory

In 2019-20, when distribution licensee were not privatised, the distribution losses were 23.12%(TPCODL),13.19%(TPNODL),18.73%(TPWODL) and 23.07%(TPSODL). However, after spending huge CAPEX and OPEX, the distribution loss of Tata Power DISCOMs is not able to match the level of earlier utilities.

TPSODL Response:

In response to the point raised by the Ld. Objector, it is pertinent to mention here that, after taking over the distribution business, large numbers of untraceable consumers were taken out from the active directory of billing database, on physical site verification, whose billing was continuing for years without any actual whereabouts of those consumers. Further, it will not be out of place to mention here that, by Q3, FY25-26, the provisional billing and average billing percentage have been brought down to less than 2%. The licensee has also implemented OCR based meter reading technology, wherein by the help of Integrated Mobile application, the meter reading is auto scanned to eliminate reading errors / table readings. The T&D loss level in TPSODL jurisdiction is 23.36% in FY 24-25.

Vesting order of the utility was issued by Hon'ble Commission after hearing the parties namely SOUTHCO Utility, TPCL, GRIDCO, OPTCL and Government of Odisha. Government of Odisha is the elected representation of the peoples of the State and hence the representation of interest of the peoples of the state has already been taken into consideration. On receiving request from SOUTHCO Power Engineers Association for implement also, Hon'ble Commission allowed the intervener to take part in the proceeding. None other parties have prayed before Hon'ble Commission for implement in the matter at that time. The Vesting order was pronounced on 28.12.2020 in Case No-83/2020. However, no review petition was filed before Hon'ble Commission on any of its provisions neither it was challenged and hence it has attended its finality.

In the Vesting order of TPSODL, Hon'ble Commission has mentioned the AT&C loss reduction trajectory (commitment by the licensee) from 35.29% to 14.80% in first ten years of operation, that is reduction target of 20.49%.

In first five years of operation, the licensee has been able to reduce the AT&C loss to 20.82%, thereby reducing the AT&C loss level by 14.47%, which is a significant achievement.

Further, this will not be out of place to mention here that, TPSODL has been ranked at 35th Best DISCOM in the 14th Annual Integrated Rating & Ranking by Ministry of Power among participating State and Private Distribution utilities.

10. Para no. 17: Industrial Tariff for EHT Consumers:

Respondent's view /suggestion: Industrial Tariff for EHT Consumers-Although EHT loads are contributing significantly to overall reduction of AT&C losses and stability of GRID, the tariff for EHT loads are increasing year over year.

TPSODL Response:

The Hon'ble Commission introduced kVAh based billing in the Tariff order for the FY 2021-22 which became effective from 04.04.2021. The Hon'ble Commission introduced KVAh billing as it is having the inherent mechanism to incentivize /penalize the consumers according to their power factor. The prime objective of the Commission for introduction of kVAh billing was to encourage the consumers to maintain near unity power factor, to achieve loss reduction, improve system stability, power quality and improve voltage profile.

The licensee has also proposed a number of rationalisation measures for EHT/HT industrial consumers in its ARR applications on year on year basis.

11. Para no. 18: Distribution Loss:

Respondent's view /suggestion: Distribution loss – DISCOMs have themselves admitted that the distribution loss at 33KV and 11KV has been reduced to 3.5% to 4.5%. Hence, Hon'ble OERC should consider normative HT loss at 3%.

TPSODL Response:

TPSODL has achieved 100% metering coverage at key points of the distribution network, like all 33 kV feeders, 256 incomer feeders at 33 kV Primary Substations (PSS) and all 11KV feeders.

TPSODL also aims to identify actual losses at the 11kV feeder level by comparing feeder input energy with the aggregated energy measured through DT meters. Accurate computation of 11 kV losses requires DT metering at all transformers connected to the feeder. As complete DT metering is yet to be achieved, precise computation of 11 kV feeder losses based on metered data is presently not feasible. The current Technical loss is based on load flow simulation study conducted on 11 kV network using CYME software, based on certain assumptions which are generally used for undertaking such studies. The actual loss may vary since the network in reality would have many differences like aging of equipment especially that of Transformer, joints in network etc. In the study the network model is considered based on Technical parameters of new equipment as such effects cannot be factored.

In view of the above, TPSODL respectfully submits that the Hon'ble Commission may continue to consider the normative HT loss of 8% for tariff and regulatory purposes.

12. Para no. 21: Need for consumer category Provision for Mega steel Plant:

Respondent's view /suggestion: Need for consumer category Provision for Mega steel Plant

TPSODL Response:

As suggested by the Ld objector, incentive cannot be offered on more than 20% load factor, as the very motive of load factor incentive is to encourage higher drawl from the licensee, so that optimum utilisation of the corridor reserved for the required quantum can be done and at the same time revenue as projected by the licensee can be met.

Further, all the industrial consumers drawing power at EHT level are allowed a rebate of 20 paise per unit (KVAh) for all units consumed in excess of 80% load factor.

13. Para no. 22: Proposal for load factor Rebate

Respondent's view /suggestion: Proposal for Load factor Rebate: … For x% increase in load factor over and above 60%, the rebate shall be allowed at x%….

TPSODL Response:

In ARR application for FY 2026-27, in Tariff rationalisation measures para-7.5 suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

14. Para no. 23 & 24: Open Access and Other Related Issues

Respondent's view /suggestion: Open Access and Other Related Issues

(i) No CSS during major breakdown
(ii) DISCOM should not mandate an annual tentative drawl plan
(iii) Open Access should not be limited to Contract Demand
(iv) CSS to be limited within 20% of the applicable tariff

TPSODL Response:

In response to the contentions made by the Ld. objector, the following may be clarified –

(i) during major breakdown, the open access consumers embedded in the distribution system will not be able to avail power supply through open access also, as the power evacuating corridor will be under breakdown. Only the open access consumer who is availing power supply through a dedicated line from its own CGP can avail power during major breakdown of the network of distribution licensee, however, such cases are not entitled for levy of CSS.

(ii) Discom is mandated under Licence condition and also under OERC (Framework for Resource Adequacy) Regulation, 2024 to prepare and submit short term, medium term and Long-Term load forecasting which plays the most crucial role in planning power procurement and system network adequacy as well. As the open access consumer is an embedded consumer of the distribution licensee, the annual drawl plan of the consumer is an inseparable part of the licensee's drawl plan and hence cannot be dispensed with.

(iii) In case of an open access consumer drawing open access power through the common network of the distribution licensee, the network loading and adequacy is accessed and planned majorly based on the contract demand of the connected consumers as it indicates its reserved entitlement irrespective of its drawl.

(iv) As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within +20% of the ACoS. If table no. 36 of the RST Order FY 25-26 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within +20%/ of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

The computed cross subsidy surcharge for DISCOMs have been given in table -38 of para 156 of RST order FY 25-26. In view of the mandate of Electricity Act'2003 under section 42, the cross-subsidy surcharge is to be reduced progressively for which Hon'ble Commission fixed the CSS at 70% of the computed values. The computed values as given under table no-38 of RST order is reproduced hereunder:

Table – 38

Computed Surcharge for Open Access for Consumer 1MW and above for FY 2025-26 (paise/unit)

Description	TPCODL	TPNODL	TPWODL	TPSODL
Surcharge for EHT Consumer	231.40	186.40	161.40	356.40
Surcharge for HT Consumer	106.23	3.45	28.18	170.58

However, the approved charges for FY 26 as given under table 39 are done at 70% of the computed values. The table no. 39 is reproduced hereunder:

Table – 39

Leviable Cross Subsidy Surcharge, Wheeling Charge and Transmission Charge for Open Access Consumer(s) of 1MW and above for FY2025-26

Name of the licensee	Cross Subsidy Surcharge (P/U)		Wheeling Charge P/U applicable to HT Consumers only	Transmission Charges for Open Access Customer (applicable for HT & EHT Consumers)
	EHT	HT		
TPCODL	161.98	74.36	102.55	The Open Access customer availing Open Access shall pay Rs.6120/MW-day (Rs.255/MWh) as transmission charges.
TPNODL	130.48	2.41	156.41	
TPWODL	112.98	19.73	104.51	
TPSODL	249.48	119.41	174.06	

15. Para no. 26 & 27: Re-introduction of Delayed Payment Surcharges (DPS)

Respondent's view /suggestion: Re-introduction of Delayed Payment Surcharge.

TPSODL Response:

The observation of Hon'ble Commission for with drawl of this DPS provision was the levy of DPS will act as a hurdle for small consumers in resolving their billing dispute and the revenue impact is also not substantial.

However, it will be pertinent to mention here that the DPS provision will persuade the small consumers to pay in time and take the benefit of the Rebate applicable. It will inspire the culture of payment within due date. The aim of the licensee is not to levy DPS to those small consumers, but to regulate their payment habit with imposition of a deterrent. Without any deterrent, there is no binding on such consumers to pay the electricity bill in time.

16. Para no. 33, 34, 35 & 36: Rebate related provisions

Respondent's view /suggestion: Rebate related issue

TPSODL Response:

i. In the FY 2024-25 in average 3,68,707 numbers of consumers per month have availed 4% digital rebate.

ii. The detail of consumer availing e-bill facility in the FY 2024-25 & FY 2025-26 is furnished in below table:

No. of Consumers Availing e-bill Facility in the FY 2024-25 & FY 2025-26	
Year	**Nos of Consumer**
FY 2024-25	14
FY 2025-26 upto Dec-25	38,587

iii. In ARR application for FY 2026-27, in Tariff rationalisation measures para-7.21 suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

17. Para no. 37 & 38: Summary of Interim Proposal approved vide order dated 22.07.2025-

Respondent's view /suggestion: Summary of Interim Proposal approved vide order dated 22.07.2025-

(i)The details of consumers availed power supply under the scheme to be submitted by DISCOMs

(ii)Special tariff of Rs. 4.30 per kVAh should be extended to all types of industries, with or without CGP, without any condition of assured consumption or linkage to load factor

TPSODL Response:

i. As correctly cited by the Ld. Objector, Hon'ble Commission had directed GRIDCO/DISCOMs to submit an efficacy report after two months, based on which Hon'ble Commission may revisit the scheme. If the Ld. objector will refer to the interim direction given by Hon'ble Commission in the matter on 14.10.2025 after hearing the matter, Hon'ble Commission had directed GRIDCO/DISCOMs to furnish detailed report and the licensee has submitted before Hon'ble Commission month wise consumer wise details.

ii. The Ld. Objector will agree that there is a methodology in which the tariff applicable for a particular category is decided. Hon'ble Commission decides the tariff applicable examining all aspects.

18. Para no. 40 : ToD Benefit & Surcharge

Respondent's view /suggestion: ToD Benefit & Surcharge

TPSODL Response:

ToD benefit has already been extended by Hon'ble Commission for all consumers having MD>10kW and with smart meters except consumer under Agriculture tariff. The eligible consumers will get a ToD rebate @20Paise per unit for energy consumed during solar hours and a surcharge of 30 paise per unit will be levied for consumption during peak hours. The intention of Hon'ble Commission is to shift the load of the consumers from peak to no-peak/solar hours. To encourage balancing of drawl, the licensee has proposed to increase ToD surcharge which will dissuade the consumers from drawing in peak hours.

19. Para no. 41 to 47 : Contract Demand related issues

Respondent's view /suggestion: Contract Demand related issues

TPSODL Response:

It is pertinent to mention here that the entire operating cost of DISCOMs such as R&M, A&G, employee cost, depreciation, financing cost, ROE are almost fixed in nature. In ideal scenario, fixed cost of Distribution Company should be recovered through demand charges/monthly minimum fixed charges levied based on sanctioned load/contract demand or maximum demand of the consumer whichever is higher. In the current tariff structure, the DISCOMs are recovering hardly within 10% of their total fixed cost through fixed charges, whereas in other states these percentiles are between 15-20%. Hence, any reduction in demand charge will adversely affect the revenue structure.

The licence is following the OERC issued regulation issued by the Hon'ble Commission scrupulously. In ARR application for FY 2026-27, in Tariff rationalisation measures suggestion have been well elaborated with justifications in the application of the licensee which may be please referred.

20. Para no. 48: Allocation of Green Power to industries having CGP through GTP mechanism

Respondent's view /suggestion: Allocation of Green Power to industries having CGP through GTP mechanism

TPSODL Response:

In ARR application submission of FY 2026-27, under para no. 7.8 of Tariff rationalisation measures, well elaborated suggestion with justifications has been made, which may please be referred.

21. Para no. 50 : Green Tariff for Sale of Renewable Power through DISCOMS

Respondent's view /suggestion: Green Tariff for Sale of Renewable Power through DISCOMS

TPSODL Response:

TPSODL has proposed in the ARR application 2026-27 that, the Hon'ble Commission may determine a separate Green Tariff applicable for renewable-energy sales under this scheme as per clause 3 (c) of Regulation 5 (chapter 1 of the OERC (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023. The tariff shall be cost-reflective and an appropriate component for RCO compliance. No Cross-Subsidy surcharge shall be applicable on such transactions.

22. Para no. 51 & 52: kVAh Billing and Bill Revision issue

Respondent's view /suggestion: Bill Revision issue- Extend kVAh billing to LT consumers, Bill revision for past period

TPSODL Response:

TPSODL is strictly following the regulations-155 & 157 prescribed in the Supply code 2019 for bill revisions. However, to address the consumer's concern, TPSODL has requested the Hon'ble Commission to permit/allow the downward bill revision beyond 2 years. Also, petition has been submitted before the Hon'ble Commission for Amnesty Arrear Clearance Scheme by GRIDCO and the Discoms.

As per the mandate of National Electricity Policy and Tariff Policy, the Tariff needs to be well within +20% of the ACoS. If table no. 25 of the RST Order FY 24-25 will be referred, the Average tariff decided by the Hon'ble Commission voltage level wise is well within +20%/ of the ACoS. Further, the tariff is set with an endeavour to reduce the cross subsidy over the years also.

23. Para no. 54 & 55: Installation of Smart Meter and abolition of Meter Rent

Respondent's view /suggestion: Installation of Smart Meter and abolition of Meter Rent

TPSODL Response:

Hon'ble Commission under para 99 (2) vide Retail Supply Tariff Order dated 24.03.,2025 pronounced direction regarding installation of Smart Meters, the relevant extract is reproduced hereunder:

……………………………………………………………………………………

In order to reduce the tariff burden on the consumers due to proposed CAPEX Plan of DISCOMs for smart metering, the State Government intends to provide capital subsidy/grant to the DISCOMs, in a phased manner for consumers with CD up to and including 2 kW towards installation of smart meters. Meter rent from such consumers (with CD up to 2 kW) may not be recovered to encourage speedy implementation of smart metering in the state.

……………………………………………………………………………………

……

In compliance to the direction of the Hon'ble, Licensee has stopped recovering meter rent against installation of smart meters for consumers up to 2 kW Contract Demands with effect from 1st April' 2025.

24. Para no. 56 & 57: Amnesty scheme for clearance of Arrears of Pre-Vesting period.

Respondent's view /suggestion: Amnesty scheme for clearance of Arrears of Pre-Vesting period.

TPSODL Response:

The Respondent Discom would like to submit before the Hon'ble Commission that the Petitioner along with the other Discoms have already submitted the application for approval of the AAC scheme on 02.01.2026 for kind consideration and approval of the Commission.

25. Para no. 58: Providing Connection to Green Hydrogen Projects under separate metering arrangement

Respondent's view /suggestion: Providing Connection to Green Hydrogen Projects under separate metering arrangement

TPSODL Response:

In view of Govt. of Odisha target to achieve green hydrogen production target by 2030, this is to bring into the kind information of the Hon'ble Commission that may more industries will be setting up the Green Hydrogen Production facility in the state.

Further, to provide the smooth connectivity approval, separate metering arrangement etc. to intended industries seeking for setting up Green Hydrogen facility in the State of Odisha, Discoms humbly prays before Hon'ble Commission to issue necessary direction and frame a procedural guideline in this regard.

26. Para no. 59: Re-structuring of ToD based RST.

Respondent's view /suggestion: Re-structuring of ToD based RST

TPSODL Response:

With regards to the Ld. Objector proposal for ToD based RST, this is to submit that with present Retail Supply tariff, a number of EHT/HT consumers have resorted to procure power through Open Access during FY 2025-26. Further, it has been noticed that drawl through OA mechanism will adversely affect the sales and sales mix as well. With any further increase in energy charges, it is apprehended that major chunk of EHT sales may opt out for Open Access.

27. Para no. 60: Charging of leading power factor while billing to EHT Consumers i.e. (Lead+Lag) kVAh Billing

Respondent's view /suggestion: Charging of leading power factor while billing to EHT Consumers i.e. (Lead+Lag) kVAh Billing

TPSODL Response:

In our ARR application submission under Point no.- 7.18 of Tariff rationalisation measures suggested have been well elaborated with justifications in the application of the licensee which may please be referred.

28. Para no. 62,63 & 64: Security Deposit related issue

Respondent's view /suggestion: Security Deposit related issue

TPSODL Response:

(i) The relevant extract on payment of SD from regulation 52(iv) of OERC Distribution (Condition of Supply) code, 2019 is provided hereunder:

> ***"The security deposit shall be paid in cash or by bank draft or by electronic/digital payment. It may also be paid by cheque or by credit card, where specifically allowed by the licensee/supplier".***

Further, regulation provides for interest on the security deposit also. The above provision makes the required amount available with the licensee, which can be utilised without any additional time involvement, in case it will be required to adjust the security deposit. This ensures payment security to the licensee. This matter has already been addressed by Hon'ble Commission in previous Tariff proceedings.

(ii) The provision of delayed payment surcharge is not to enrich the licensee by 7%-8%, but the ensure payment security to the licensee. The very aim of the provision is to develop the culture of payment within the stipulated time among the consumers. Because of this provision, the consumer will be persuaded to make payment within the stipulated time. Therefore, the apprehension of the Ld Objector regarding enriching the licensee by this extra amount is baseless.

The proposal of the objector of paying interest on additional SD, even without receiving SD physically is totally not tenable. Interest has been allowed by Hon'ble Commission as the money is retained by the licensee to ensure the payment security. Interest can never be allowed to consumer before receiving SD physically.

(iii) The Supervision charges is collected from the consumer as per Regulation-27 & 29 and estimate of capital cost is calculated as per the Appendix-1 of the Supply code-2019.

29. Para no. 72: Action taken report furnished by licensee.

Respondent's view /suggestion: Action taken report furnished by licensee.

TPSODL Response:

(i) The status of PM Surya Ghar Scheme, Kusum-A & Kusum-C till 30th Jan'26, are furnished below.

Following is the status of PM Surya Ghar Scheme under TPSODL as on 30.01.2026:

Sr. No.	Particulars	UoM	Quantity
1.	Total no. installation	Nos	3504
2.	Total Capacity	MW	10.85
3.	Total Energy Generated	MU	4.29 (appx.)

(ii) Progress under PM KUSUM-A: Under PM KUSUM –A , PPA executed for 22 Nos. of projects having cumulative capacity 35.5MW out of which OREDA will execute 12MW Capacity . Out of the above, 11KV line work is under execution in the project under GNED, Bhanjanagar, BED-III, Berhampur and GSED, Digapahandi .Other projects are under the process of Land acquisition and financial closure carried out by SPGs.

Progress under PM KUSUM-C: PPA executed for Five numbers of projects under JED, Jeypore and NED, Nabarangapur having capacity of 3.365MW as on 30.01.2026. All these projects are under the process for land acquisition carried by SPGs.

30. Para no. 73, 74,76,77,78,79 & 80: Other issues

Respondent's view /suggestion: Other issue

TPSODL Response:

(i) Allegation of the Objector regarding increase in power outage during TATA Power tenure is also not correct. Rather power outage during TATA Power tenure is reduced substantially and also decreasing year by year. The power supply hours have been 23:11 hrs in average during 2024-25. This can be observed from the SAIDI (System Average Interruption Duration Index) and SAIFI (System Average Interruption Frequency Index) are given in below table.

FY	SAIDI (Hrs)	SAIFI (Nos)
2021-22	155.63	233.74
2022-23	268	326
2023-24	267	326
2024-25	271	316

(ii) The Licensee is in adherence to the rules and regulation of the Act. The licensee will comply to every guideline that will be issued by Hon'ble Commission. Therefore, allegation of Ld. Objector that Discoms are invoking Section 126 of the Act to book consumer and disconnections without the issuance of provisional assessments is not correct. If such instant has taken place Ld. Objector can bring to the Discoms notice.

(iii) The Hon'ble Commission may give the necessary direction for course of hearing in GRF and Ombudsman be conducted in Hybrid Mode. The Licensee will adhere with direction of the Hon'ble Commission.

(iv) Licensee never allows any telecom company to lying their cables through the electric poles unauthorizedly which creates un safe conditions. Any rental income generated from the telecom company is accounted properly as per the OERC tariff regulation 2022.

(v) As per section 135 of the Companies Act, 2013, it is mandatory for the companies to comply with the CSR provisions and are required to spend a minimum of 2% of their net profit over the preceding three years as CSR. Board of TPSODL has formed a CSR Committee which is empowered to direct and approve areas where CSR budget can be spent in order to maximise the benefit to society in Odisha. Need assessment through a structured process, being done to identify the areas of importance and the same is placed before the CSR committee for their perusal and approval. This ensures the channelizing the benefit to the section of society which need CSR. All the CSR expenditure are being placed before the CSR committee meeting and being discussed at length and comparison also done against the approved budget. Impact assessment of the CSR expenditure society is also undertaken. Company has a robust system of procurement to pay process and thereby making every expenditure to undergo a maker and checker process. Also, Company has robust internal audit system being conducted by renowned firm to ensure the reasonableness and governance built around the process and all the expenditure are subjected to their audit scope. Further, it is submitted that, the CSR expenditure is not being included in the A&G cost as per the Hon'ble Commission's directive.

ANNEXURE-13

TPSODL Response to Objections/Queries raised

Case No. 132/2025

FORMS PA
AFFIDAVIT/AG
Minati Rath
NOTARY
mpur, (

TP SOUTHERN ODISHA DISTRIBUTION LTD. BERHAMPUR

TPSODL

TPSODL/Regulatory/2026/28/554 (2) 27-January-26

To,
Shri Sudhansu Dash,
M/s. Bharati Airtel Limited, Bharati House,
Plot No-E-13/1, Industrial Estate,
Chandaka (Infocity), Chandrasekharpur,
Bhubaneswar-751024.

Sub: Case No. 132 of 2025 (ARR application of TPSODL) – Objections/Observations of M/s. Bharati Airtel Limited

Ref.: Your submission dated 16th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

Appendix

TPSODL took over the license to distribute electricity in the 8 revenue districts namely Boudh, Gajapati, Ganjam, Kandhamal, Koraput, Malkangiri, Nabrangpur and Rayagada districts of Southern part of Odisha, which were earlier served by erstwhile SOUTHCO Utility. With the transfer of the utility of SOUTHCO to TPSODL, the Licensee of SOUTHCO Utility stood transferred to TPSODL with effect from 01.01.2021 as per the Vesting Order of Hon'ble Commission. Our para wise reply to the points raised by the respondent on the ARR application of the licensee are furnished hereunder.

1. Point no. 1:

Plea: Need for classification of Telecom under Industrial Tariff.

TPSODL Response:

A consumer is categorized under a particular category depending upon purpose for which the power is utilized. The purpose of use and category of consumer has been defined in clause 138 of Odisha Electricity Regulatory Commission Distribution (Conditions of Supply) Code, 2019.

As per clause 138 of the Regulation, Industrial Category is applicable where power is substantially utilized as motive force for industrial production. Since the use of power by the objector is not for industrial purpose, TPSODL is not in agreement with the prayer of objector for covering it under industrial tariff as it will create discrimination among other similar type of user.

2. Point no. 2:

Plea: Request regarding Green Energy Open Access in Odisha

TPSODL response:

The purpose of Green Energy Open Access regulations is to accelerate India's renewable energy transition by enabling commercial and industrial (C&I) consumers to buy clean power directly from generators, bypassing local utilities, thereby ensuring affordable, reliable, green energy, cutting emissions, and reducing power costs through simplified procedures, lower entry barriers (down to 100 kW), and clear charges for grid usage. These rules empower consumers to choose green sources, promote competition, and support national clean energy goals.

In line with the Ministry of Power Green Energy Open Access (GEOA) Rules' 2022, OERC has also notified Odisha Electricity Regulatory Commission (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023 on 11th January 2023 for promoting Renewable Energy in the state of Odisha.

Considering all applicable guidelines specified in the aforesaid regulations, Licensee has prepared and filed application before Hon'ble Commission for determination and approval of Wheeling Charges, Wheeling Losses, Cross Subsidy Surcharge for LT Consumers intended to avail green power through Open Access. It is requested before Hon'ble Commission to decide the matter suitably and issue necessary directives in this regard.

3. Point no. 3:

Plea: Continue kWh billing for LT consumers instead of kVAh o reduce tariff for "per kVAh billing"

TPSODL response:

The Respondent Licensee under para no. 7.7, page no. 93 of the ARR & Tariff Application FY 2026-27 has elaborated the need for reintroducing the kVah billing for LT category of consumers, Ld. Objector may please be referred the same.

ANNEXURE-14

TPSODL Response to Objections/Queries raised

Case No. 132 & 133 /2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
Minati Rath
NOTARY PUBLIC
Berhampur. Gm., Odisha

TPSODL

TPSODL/Regulatory/2026/27/ 553 (2)

27-January-26

To,
Shri. Ashok Kumar Bhukta
Main Road,Mandiapalli,
Berhampur Unversity,
Po:Rangailunda,
Dist: Ganjam, Pin:760007

Sub: Case No. 132 & 133 of 2025 (ARR and Truing up application of TPSODL) - Objections/Observations of Shri. Ashok Kumar Bhukta.

Ref.: Your submission dated 15th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
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Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

Appendix

The para/point wise clarification to the objection raised by the objector is as under.

1. **Para no. 2 (Sales projection):**

> 2. *The discoms are proposing sales projection on different category too much to accommodate their expenditure and later on pass through in truing up exercise.*

TPSODL Response:

The Petitioner would like to state that, while estimating the category wise sales, it has taken into accounts various factors i.e. actual sales data for the first six months of FY 2025-26, actual addition of consumers, the load trajectory (actual as well as estimated), and other factors such as extended summer season, urbanization, industrialization and modernization, effective load booking etc. for projection of sales for current and ensuring year.

Under Domestic category around 40,000 new connections have been estimated for ensuing year FY 2026-27 & in General purpose category around 3,000 connections have been proposed. The activity of data sanitization is going on and also a continual activity for removal of Ghost consumers from the billing fold through field verifications.

While projecting the sales in HT Category, the DISCOM has analysed the consumption pattern of each HT consumer with contract demand of more than 1 MVA. For FY 2025-26, Contract demand is projected to increase due to addition of new consumers like M/s Arcelormittal Nippon Steel India Private Limited, Dean Principal SLN MCH Koraput and few others having CD greater than 1 MVA.

EHT sales majorly depends on Railway Traction, accounting for 50% of total EHT consumption of TPSODL. While the overall EHT sales growth for FY 2025-26 is estimated at a modest 0.48% due reduction in demand by few high consumers. Whereas for FY 2026-27, the projected EHT sales growth is 5.34%, due to improved load factors in industries.

2. **Para no. 3 (objection related to employee cost, R&M and A&G expenses, power outages):**

> 3. *The ARR of all Discoms proposes a unnatural hike in expenditure in employees cost, Repair & maintenance cost and A&G expenditure in excess of the last year approved expenditure. Further power outrages have gone up after TATA power taken over the company. If the gap proposed by the all Discoms is allowed it will increase the cost of unit by Rs 1.00 per unit.*

TPSODL Response:

It is submitted that, the details of the petitioner's proposed expenditures are submitted as part of the ARR petition along with the relevant annexures. The above-mentioned expenditures are necessary to provide proper service to the consumers as well as comply with the conditions set in the Hon'ble Commission's vesting order vide Case no-83/2020.

3. **Para no. 4 (objections related to provisional billing, rebate):**

> 4. *Further the bills of consumers are not served and generated on provisional but same time rebate are not passed on to the consumer when the actual bill is generated.*

TPSODL Response:

TPSODL would like to submit that the Hon'ble Commission has allowed digital rebate of 4% for LT Domestic and GP single phase customers. Further, to improve the accessibility of payment modes, the licensee has engaged various service providers for easy payment option to the consumers for payment of Energy Bills through offline/online mode. Also, in addition to the above the following rebates are applicable to the Odisha consumers:

a) LT Domestic, LT General Purpose and HT Bulk Supply (Domestic) consumers will get 10 paise/unit rebate for prompt payment of the bill within due date.
b) The rural LT domestic consumers who draw their power through correct meter and pay the bill in time shall get rebate of 10 paise per unit over and above other existing rebate for prompt payment.
c) 4% Rebate to all pre-paid consumers on pre-paid amount.

d) A Special rebate to the LT single phase consumers in addition to any other rebate, he is otherwise eligible, shall be allowed at the end of the financial year (the bill for the month of March), if he has paid the bill for all the 12 months of the financial year consistently without fail within due date during the relevant financial year. The amount of rebate shall be equal to the rebate of the month of March for timely payment of bill.

e) Additional Rebate of Rs.10/ - p.m. if opted E-Bill.

f) The Commercial & Industrial Consumers and Consumers provided with smart meters having MD >10KW are eligible to get a ToD rebate of 20 paise/unit on Energy Charge during Solar Hours. The above Consumers shall pay a ToD surcharge of 30 paise/unit during Peak Hours. The ToD rebate and surcharge shall not be applicable during Normal Hours.

It is submitted that the petitioner, is strictly bound by the Regulations/ Guidelines framed by the Hon'ble Commission in line with the Electricity Act, 2003.

4. **Para no. 5 (objections related to disconnection without notice):**

5. In addition to above DISCOMS are disconnecting the power supply without proper notice the same should be stopped immediately. The smart meter is disconnected without proper notice violating OERC directives.

TPSODL Response:

It is submitted that the consumers' power supply is being disconnected after proper notice and prolonged default, in accordance with Regulation 172 of the OERC Distribution (Conditions of Supply) Code, 2019 as per Section 56 of the Electricity Act, 2003. Therefore, the allegation is not true and appropriate.

5. **Para no. 6 & 7 (observation/suggestion related Capex loan, financial benefits of Capex plan):**

6. Further while calculating the interest on capex loan is charged for the whole year. The detail on loan availed from banks and the rate of interest may be furnished. There is no effort to reengineer and swap high-cost loans availed from bank.

7. *The Discoms must give detail financial benefits derived from the Capex plan on account of loss reduction and its impact on tariff.*

TPSODL Response:

It is submitted that the detailed of the proposed Capital Investment Plan for FY2026-27 has already been submitted by the petitioner and registered case no. 78 of 2025. The hearing has been completed and currently, the case is reserved for Order.

We would like to submit that, the benefits of the Capex plan include increased supply reliability, reduction of AT&C loss, better consumer satisfaction; which have been mentioned in the Capex petition.

6. **Para no. 8,9 & 10 (observation/suggestion related to initial Security deposit, Additional Security deposit, refund of excess amount etc.):**

8. *In this regard security deposit I have many times requested the TPSODL authorities for calculation of additional security deposit on the basis of present load factor for application for enhanced load for the existing consumer. The TPSODL authorities failed to appreciate my submission. So, This appeal is filed before the commission for kind consideration.*
   As per the applicable regulation 52,53,54 of OERC Distribution Conditions of Supply Code-2019
   52. (i) to (v).........
   53.
   54 (i) & (ii)...........
9. *As Per applicable provisions of Regulation 52() & (ii) the initial security deposit for the new consumer is calculated. Further a review of same made based on the average consumption for the period representing 12 (twelve) months from April to March of the previous year as per regulation 53. If the existing Security Deposit of a consumer is found to be in excess by more than10% of the required security deposit, refund of the excess security deposit shall be made by the Licensee/supplier by adjustment from the outstanding dues of the consumer to the Licensee/supplier or any amount becoming due from the consumer to the Licensee/supplier immediately thereafter.*
10. *So, the intention of the regulation is to keep the security deposit as per consumption of the consumer and return the balance security deposit to the consumer there by safe guarding both consumer as well as interest of company*

in the interest of justice. The discoms must furnish how much security refunded to the consumer as per regulation suo-motto.

TPSODL Response:

It is submitted that the Energy bills are being prepared by the petitioner duly following the regulations set by the Hon'ble Commission under the OERC Supply Code 2019. TPSODL is collecting security deposit in accordance with the regulations.

Further, the Discom has submitted the Independent Auditor's Report on the Security Deposit in compliance to the directive of the Hon'ble Commission in the Tariff Order for FY 25-26.

7. Para no. 11,12,13,14,15,16,17,18,19 & 20 (observation/suggestion related to KVAH billing etc.):

11. *Now as per the present tariff order of the Honourable commission, OERC Odisha this has been allowed to all the DISCOMs to evaluate the energy bills of industrial consumers in KVAH which is included the reactive power or loss power component of three phase power system.*
12. *The present proposal for charging KVAH tariff to LT consumer is indirectly increasing the tariff applicable to LT consumer. Instead, the consumer may be educated before implementation of same.*
13. *As we know that all motors and transformer are all inductive loads in the distribution system always having reactance in their respective supply lines and the consumers having motor loads are instructed for installation appropriate size of capacitor banks for availing the actual power by compensation of reactive power in low voltage side. Now on other side of HT supply lines of DISCOMs the DTRs as inductive load already exists in their system of supply should also be compensated to avoid power loss by installation of appropriate capacity of synchronized condensers or any such methods to neutralize the line reactance as per the National Electricity Policy (NEP) which is mandatory for every power system.*
14. *Here we found a discrimination of energy billings between HT & LT industrial consumers with KVAH & KWH respectively though the procurement of energy by the Discoms in BST are being generated in KWH from GRIDCO.*
15. *As per the voltage levels for contract demand guided in regulation, all the HT consumers are allowed to install transformers as per BEE standard after proper*

testing of the transformers by the DISCOM authorities to avail HT Supply as well as to save the energy,

16. *In case of HT (Ind) consumer, those who are installing the transformers with their own capital investment and maintenance with appropriate standards of BEE to avail power supply in HT tariff are categorized in consumption of monthly energy charges in KVAH which includes the reactive power or loss power including Overhead line reactance & impedance of the input side of power supply of the consumer at HT without considering the system power factor. So this is an additional burden to the consumers after paying a higher monthly demand charges in their ECH bills.*
17. *Now we have seen in case of LT IND. consumers supplied from the Discern DTRs are being excluded from the above loss power charges which is due to the distribution transformer loss. So, the same the reactive power loss of the DTRs of category of consumers should be maintained as per BEE to avoid the national power loss as guided in national electricity policy of India.*
18. *This has been understood in your present tariff order 2023 without appropriate justification to the public the above-mentioned energy billing KVAH has been allowed to all DISCOMs.*
19. *So we appeal before the Hon'ble commission for appropriate directions to the DISCOM authorities to standardize their own DTRs to check the distribution loss as well as to compensate the line reactance and transformer impedance should be maintained as per BEE by installation synchronous condensers or static condensers with individual metering activities in each distribution sub-stations for evaluation with energy audit of distribution system.*
20. *Hence, we pray before the Hon'ble commission for appropriate directions to the DISCOM authorities for consideration of energy consumption in KWH for HT IND consumers till the DTRs of power utilities standardized as per the BEE and request for refund of excess of revenue already collected by adjusting in their respective ECh bills.*

TPSODL Response:

With regards to the objection regarding KVAH billing, it is submitted that the prime objective of the kVAh based billing is to encourage the consumers to maintain near unity power factor to achieve loss reduction, 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 transactions will be maintained in the 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 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 are abolished w.e.f. FY 2021-22. In case of leading power factor whose instances are relatively few when kVrh 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.

The 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.

It is to submit that Hon'ble APTEL has dealt with the issue of kVAh billing on several occasions. In Prime Ispat Ltd. and Another vrs Chhatisgarh 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 = 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."*

In view of the aforesaid judgment of the Hon'ble Tribunal, the ground raised by the petition is misconceived. Hence the said contention of the petitioner quash KVAH billing is to be dismissed.

Further the **Andhra Pradesh High court while disposing batch of appeals along with writ appeal No 115 of 2014** in the case of (APERC, SCY, Hyderabad and others Vrs CPDCL, M.D, HYD, and others) regarding KVAH billing delivered the observation in concluding Para of the judgment as follows.

> *The Commission hereby, approves the proposal for Kvah based billing instead of Kwh based billing. The Kvah billing shall be applicable for all HT Consumers and LT Consumers for whom trivector meters have been provided for. No power factor penalty shall be levied when the energy billing is done based on Kvah. The Commission has accordingly made suitable changes in the present tariff schedule.*

A reading of the above extract shows that the Commission, while taking the decision, had taken into consideration the interest of the Discoms as well as the consumers. The introduction of billing methodology as was done by the Commission is not new and it is already in vogue in some States.

8. Para no. 21 (suggestions related to no tariff hike):

21. There should be no tariff hike.
TPSODL Response: We would like to submit that; the above matter is the prerogative of the Hon'ble Commission.

9. **Para no. 22 (suggestions related to smart meter, waiver of meter rent, meter cost, related SOP, conversion to pre-paid mode etc.):**

22. In case of their discoms across India the smart meter project is funded by Govt. of India as well as IPDS plan. However, in IPDS project is not taken as per plan directive of Govt of India. Presently the project is funded by ROSS scheme of Govt of India So, the meter will be available to the consumer free of cost. The consumer of Odisha will be benefited by above if govt of Odisha take initiative in this regard. Further there is no clarity regarding consumer who have purchased meter at their own cost and cost of assets created on govt scheme goes to waste and discoms claim R & M 3% on funded assets. Further the meter rent recovered from consumer not adjusted in the cost of smart meter. The cost of smart meter of different discoms differs. So, the commission should not increase the cost of smart meter rather there should be move to provide smart meter free of cost without burdening general consumer. we oppose the hike in meter rent of smart meter. So, SOP regarding smart meter may be brought out as per regulation. Further regarding Prepaid and post-paid consumer may be given option as now the licensee forcibly converting the consumer post-paid to Pre-paid vice versa.
TPSODL Response: It may be submitted that, TPSODL has submitted a petition with the Hon'ble Commission for waiver of meter rent vide case no 102 of 2024, which was disposed of by the Commission during the tariff proceedings for FY 25-26, wherein the Hon'ble Commission directed the waiver of smart meter rent for the Consumers upto 2 kW. The Discoms are submitting the monthly status report on the Smart meter installation to the Energy Dept. for their review. Further, as per the directive issued by the Hon'ble Commission, all the new smart meters are operating on Post-Paid mode by default, unless the consumer opts for the pre-paid mode.

10. Para no. 23 (suggestions regarding classification of for seasonal short term Agro based industries like Cotton ginning Industry and Sugar/Jaggery industry mill under Seasonal Industry):

23. As per regulation 119

"(iii) Notwithstanding anything contained above and in Regulation 117, the Commission may allow the change of contract demand of short term Agro based seasonal industries or irrigation in its order from time to time for a particular season of the year"

So, we request the commission to classify the industries like Rice mill, Ginning mill, sugar mill and jaggery making and other seasonal industries may be classified as seasonal industry. The above industry having contract demand more than 110 KVA may be billed on actual MD in the off season instead minimum 80% of contract demand. Which will immensely benefit the MSME sector.

TPSODL Response:

TPSODL would humbly request the Hon'ble Commission to examine the proposal in the light of Regulation 119 (iii) of OERC Distribution (Conditions of Supply) Code, 2019 and appropriate order may be passed accordingly.

11. Para no. 24 (objection/suggestion on provisional/final assessment, disconnection etc.):

24. As per OERC distribution conditions of supply regulation (111) (ii) periodical inspection is not done by the licensee in specified interval and after years if they are detecting any abnormality after prolonged period, they are issuing notice under sec (126) and Sec (135) without the fault of consumer. Without serving the letter of provisional and final assessment and due acknowledgement from the consumer they are disconnecting power supply. Further in case of reclassification of consumer they are not issuing proper notice under regulation 140 and without giving opportunity they are levying penalty under Sec (126) of which is violation of fundamental right.

TPSODL Response:

It is submitted that all the activities of the Discom are being performed in accordance with relevant provisions of the OERC Distribution (Conditions of Supply) Code, 2019 and the Electricity Act, 2003.

It is submitted that the consumers' power supply is being disconnected after proper notice and prolonged default.

12. Para no. 25 (Smart Meter):

25. *In case of their discoms across india the smart meter project is funded by Govt. of India as well as IPDS plan. However, in IPDS project is not taken as per plan directive of Govt of India. Further there is no clarity regarding consumer who have purchased meter at their own cost and cost of assets created on govt scheme goes to waste and discoms claim R & M 3% on funded assets. So, we don't find positive to the smart meter plan od discoms funded in capex where the burden will pass on the consumer.*

Further in case of publication of SOP for policy changes the licensee should have consider for vetting of same by Govt and other statutory authorities

TPSODL response:

It may be submitted that, TPSODL had submitted a petition with the Hon'ble Commission for waiver of smart meter rent vide case no 102 of 2024, which was disposed of by the Commission during the tariff proceedings for FY 25-26, wherein the Hon'ble Commission directed the waiver of smart meter rent for the Consumers upto 2 kW.

The Discoms are submitting the monthly status report on the Smart meter installation to the Energy Dept. for their review.

It may also be submitted that, the matter regarding no tariff hike is prerogative of the Hon'ble Commission.

ANNEXURE-15

TPSODL Response to Objections/Queries raised

Case No. 132/2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
NOTARY PUBLIC
Berhampur, Gm., Odisha

TPSODL

TPSODL/Regulatory/2026/20/546 (2)

27-January-26

To,
Shri. Naba Kishore Barik
Sr. General Manager (Regulation, Tariff and Commercial)
OPTCL Limited, Janpath,
Bhubaneswar -751007

Sub: Case No. 132 of 2025 (ARR application of TPSODL) – Objections/Observations of Shri. Naba Kishore Barik.

Ref.: Your submission dated 16th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

Appendix

1. Para no. 4 (Energy Projections and Calculation of Transmission Charges):

4. However, in their projection TPSODL has calculated the transmission charges as Rs. 128.78 Cr.@ 25.5 p/u on 5050 MU without considering the direct drawals at 11kV & 33kV distribution networks

TPSODL Response:

The power purchase expenses have been derived from the estimated input based on the sales estimate and normative distribution losses, derived from the AT&C loss level trajectory applicable for tariff determination as per the vesting order. For the year FY 2025-26, energy input of 4,730.00 MUs has been estimated based on the estimated sale of 3,642.00 MU and T&D Loss of 23.00%. Power purchase of 5,050.00 MUs has been projected for the FY 2026-27, based on the estimated sale of 3,949.67 MUs and T&D Loss of 21.79% corresponding to the AT&C loss level of 22.57% fixed by Hon'ble Commission for the FY 2026-27 in the Vesting order for Tariff Setting.

Estimated Power purchase cost for the current year FY 2025-26 is Rs. 1,034.78 Cr and for the FY 2026-27 power purchase cost has been estimated at Rs. 1,089.05 Cr with BSP @ 190 paise p.u. and transmission charges @ 25.5 paise p.u. and SLDC charges Rs. 0.78 Crs per annum.

2. Para no. 6 (Recovery of Transmission Charges):

6. Commission has adopted unitary method to recover the transmission charges from the DISCOMs. It is observed that to keep the transmission tariff low, DISCOMs are usually projected higher quantum of energy always.

TPSODL Response:

It is submitted that the Hon'ble Commission has adopted the unitary method for recovery of transmission charges from the Discoms is in accordance with the applicable Regulations.

The quantum of energy projected by the Discoms is based on prudent demand assessment, load growth and system planning considerations, but not with the intent of artificially lowering the transmission tariff. Any variation between projected and actual energy is duly subjected to regulatory scrutiny and truing-up by the Hon'ble Commission, thereby safeguarding against undue benefit or tariff distortion.

3. Para no. 9 (Long Term Demand Forecast):

9. M/s TPSODL fails to provide load forecasts as per the prescribed format for filing of Long-term Demand Forecast (LTDF) application since 2018 despite of several follow-ups.

TPSODL Response:

It is submitted that the allegation pertaining to non-submission of load forecasts in the prescribed format since 2018 is not attributable to M/s. TPSODL. In this regard, it is clarified that M/s. TPSODL took over the operations of the distribution utility only with effect from 1st January, 2021. Any non-compliance, if any, prior to the said date pertains to the erstwhile distribution licensee and cannot be ascribed to the present Licensee.

It is further submitted that subsequent to taking over, TPSODL has taken concrete steps to streamline regulatory compliances. Accordingly, the Licensee has been filing the Long-Term Demand Forecast (LTDF) applications strictly in the prescribed format and in a disciplined and systematic manner from FY 2022–23 onwards and continues to do so till date.

Further, it may be submitted that, the Hon'ble Commission has already notified the OERC (Framework for Resource Adequacy) Regulations, 2024 in February 2025. The Discoms have submitted the Short/Medium/Long Term Forecasting information to SLDC in compliance with the aforesaid Regulations and are in regular interaction with the SLDC for further improvement. Further, the Hon'ble Commission has notified the draft OERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2025 in July 2025. The Discoms have already submitted their suggestions/views on the same in September 2025 highlighting some issues like Lack of proper infrastructure, exclusion of the HT/EHT consumers from the purview, problem like imbalance equation etc.

4. Para no. 10 (Transmission Charges and SLDC Charges):

10. OPTCL has filed seperate petition vide Case No-121/2025 for determination of transmission charges and case No. 119/2025 for determination of SLDC charges for the

FY 2026-27. Whatever, tariff shall be fixed by the Hon'ble Commission, the effect of the same may be considered in the ARR of TPSODL.

TPSODL Response:

It is submitted that TPSODL has duly filed its objections in both the matters, namely Case No. 121 of 2025 pertaining to the Determination of Transmission Charges and Case No. 119 of 2025 relating to the Determination of SLDC Charges. The Licensee humbly requests the Hon'ble Commission to consider and approve the tariff after undertaking due prudence check and keeping in view the larger interest of consumers, as the approved tariff shall have a direct bearing on the RST and the consumers of the state.

5. **Para no. 11 (Collection of Grid Support Charge):**

11. In compliance with the directions of the Hon'ble Commission in Case No. 44/2024, OPTCL has already submitted a consolidated report duly incorporating the observations and suggestions of the Hon'ble Commission. The orders/directions in the matter are yet to be pronounced by OERC. OPTCL has proposed the levy of Grid Support Charges (GSC) on Captive Generating Plants (CGPs) directly connected to OPTCL Grid Substations. These CGPs are predominantly connected at the EHT level or through dedicated 33 kV feeders emanating from OPTCL GSS. Further, the contribution of DISCOMs in extending support to the GRID is negligible. Accordingly, OPTCL is entitled to recover Grid Support Charges. However, the methodology for recovery of GSC shall be decided by the Hon'ble Commission.

TPSODL Response:

It is to submit that, the Hon'ble Commission in its order dated 09-07-2024 vide Case No. 44/2024 has given certain observations and directions to OPTCL. Some of the key observations which may impact directly to the consumers are:

- Whether the pollutants like injection of harmonics and VAR exchange etc. are only attributable to the industries having CGP and not to the industries without CGP.
- OPTCL must justify the methodology for the determination of uniform GSC rates on all CGPs when they have different capacities, contract demands, and power exports to the grid.

- In view of the integrated network of OPTCL & DISCOMs, whether DISCOMs has a role in providing Grid support. If so, how the GSC can be apportioned between OPTCL and DISCOMs.
- OPTCL should submit it's views on the applicability of Grid Support Charges (GSC) on RE generators including CGP based on RE.
- If any case CGP loses its CGP status and becomes IPP, then what would be the methodology of charging GSC?
- Impact of GSC on Transmission Tariff and Retail Tariff of Industrial consumers

Furthermore, the observation of the objector regarding the contribution of Discoms in extending support to the GRID is negligible is totally unacceptable as Discoms play a major role in a combined electrical network.

- Last-mile supply: Discoms ensure reliable delivery of electricity from the grid to end consumers.
- Load management: Through demand forecasting, load balancing, and outage management, Discoms play a critical role in maintaining grid stability.
- Revenue realization: Discoms collect revenue and sustain the financial viability of the power sector.
- Loss reduction: Through network improvements and energy audits, Discoms reduce technical and commercial losses.
- RE integration: Discoms enable seamless integration of renewable energy and support grid modernization.
- Support to transmission planning: Accurate demand projections by Discoms form the basis for transmission and generation capacity planning along with the required protection philosophy.

In essence, the Discoms are not merely power purchasers but are vital stakeholders in ensuring grid stability, financial sustainability, and energy transition. Their efficient functioning directly impacts the reliability, affordability, and resilience of the power system as a whole. Therefore, Hon'ble Commission may critically examine the proposal of applicant and take necessary steps in approving Grid Support charges.

In addition to the above, it may be submitted that TPSODL's applications for ARR FY 26-27, Open Access Charges for EHT/HT/LT consumers have been uploaded in TPSODL website as well as on the website of the Hon'ble Commission.

ANNEXURE-16

TPSODL Response to Objections/Queries raised

Case No. 132 & 133 /2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
Minati Rath
NOTARY PUBLIC
Berhampur, Gm., Odisha

TP SOUTHERN ODISHA DISTRIBUTION LTD. ★ BERHAMPUR

TPSODL

TPSODL/Regulatory/2026/22/548 (2) 27-January-26

To,
Shri. Ali Kishor Patnaik
President-TPSODL Consumers Association,
Saheed Laxman Nayak Community Hall,
Hillpatna, Berhampur. Pin 760005

Sub: Case No. 132 & 133 of 2025 (ARR & Truing Up application of TPSODL) – Objections /Observations of Shri Ali Kishor Patnaik.

Ref.: Your submission dated 16th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

Appendix

1. Para no. 1 (Employees' cost, Repair & maintenance cost and A&G expenditure):

1. The ARR of all Discoms proposes an exuberant in expenditure in employees' cost, Repair & Maintenance cost and A&G expenditure which is double then the last year approved expenditure. Further power outrages have gone up after TATA power taken over the power distribution in the state of Odisha. If the gap proposed by the all Discoms is allowed, it will increase the cost of unit exorbitantly. After privatisation of the Power Distribution, TATA Power is the sole owner of all the four distribution areas of the state. There is no competition for which TATA Power spends lavishly and entire burden is sifted to the shoulder of the consumers.

TPSODL Response:

It is submitted that, the details of the petitioner's proposed expenditures are submitted as part of the ARR petition along with the relevant annexures. The above-mentioned expenditures are necessary to provide proper service to the consumers as well as comply with the conditions set in the Hon'ble Commission's Vesting Order vide Case no-83/2020.

2. Para no. 2 (Power Outage):

2. During the TATA Power Distribution days frequent "Power Outrage" is on daily basis. In total, more than 45 days i.e. 1,080 Hrs an year, consumers are deprived of power supply. But no discount is allowed in the bill. On the other hand, on monthly based meter rent and fixed rate is charged without power supply. All the licences are required to provide all technical information of line breakdown periodical scheduled / unscheduled outage etc in a prescribed format by uploading in the respective website of licences and Govt. is not followed.

TPSODL Response:

It may be submitted that, TPSODL operation is guided by the provisions of Electricity Act'2003, and other regulations issued by the Hon'ble Commission e.g. OERC Distribution (Conditions of Supply Code), 2019.

Based on the learning from last 5 years of stabilised operation, TPSODL had further optimised the comprehensive AMCs along with the manpower deployment structure for all six circles for operation and maintenance of 33KV, 11KV & LT assets to create a culture of preventive maintenance. The Performance Based Maintenance Contract also includes 24X7 Breakdowns Crews for restoration of 33KV & 11KV feeders and substation equipment. Besides, preventive maintenance activities are being performed as per the maintenance plan using the SAP PM system.

The network is being inspected regularly through manual patrolling as well as drone inspection in forest and inaccessible areas. Thermo-scanning is done for the entire network using high power thermo scanning cameras and to identify the defects, hotspots and attend breakdowns in quick time and perform preventive maintenance activities to enhance system reliability by rectifying the probable faults even before they occur.

3. Para no. 3 (Meter Reading, Billing Cost etc):

3. *Now when the T&D loss has been reduced from 47% to 17% Collection of revenue has increased substantially except in case Govt. offices and establishments. Since there is no audit of financial management of Discoms by CAG the real picture is not coming out. The meter reading and billing cost per consumer per month comes to around Rs 45 which is very high and needs a prudent check. Further the bills of consumers which are served and generated on provisional basis but at the same time rebate are not passed on to the consumer when the actual bill is generated.*
   In the name of Fixed Energy Charges Rs.20/- per KW is charged in the bills of all the 1.20 crore consumers every month. About 2 lakh crore rupees have been collected on this account during last 25 years. The consumers are ignorant about the status of this collection, how and in which way it is utilised.

TPSODL Response:

We would like to inform that; the increased level of consumer satisfaction is evident due to various initiatives undertaken by the Discom for meeting the consumer expectations related to timely billing, increased number of payment avenues; which is ultimately resulting in higher actual billing efficiency thereby reducing the billing related errors.

These initiatives have necessitated initial costs, while the benefits are being accrued to all the stakeholders.

Below are few key initiatives undertaken by the Licensee since takeover, for provision of actual bills to the consumers on a regular basis to reduce billing related issues and complaints.

Improvement in Billing Efficiency

OCR based consumer meter reading, installation of Smart Meters and Pre-paid metering for Government and Institutional Consumers, reporting of Unauthorized usage and regularization of unauthorized connections, Regularization of

Connections released under Saubhagya scheme, Street Light Connections, Temple Connections, Surveillance/ Site Verification of Bill Stop/TD/Low consumption LI Connections, Energy Audit - Feeder / DT loss analysis & action plan, GIS based Spot Billing, Special Task Force for Bill Revision Activities and Camps for Resolution of Disputed Bills , Dedicated team for reduction of cycle time for replacement of Defective Meters and for identification of Ghost Consumers.

4. Para no. 4 (Observations related to DPS, Provisional billing etc.):

4. *The present rate of interest on fixed deposits are around 6% but the consumer is charged 18% for non payment of bills.*

TPSODL Response:

Delay payment surcharge had been claimed as per rate approved by the Commission, i.e. 1% per month or say 12% per annum for domestic and LT Commercial Consumer.

Further, it may be submitted that the intention of licensee is not to earn profit from Delay Payment Surcharge (DPS). Rather the Discom prefer receiving on time payment from its Consumer to be able to pay its bulk power purchase cost and meet other expenses related to day-to-day operation. The DPS acts as the deterrent and further motivates the consumer to pay its electricity bill in time. The licensee also allows all eligible rebate entitled by a Consumer by virtue of prevailing Retail Supply Tariff order.

TPSODL would like to submit that the Hon'ble Commission has allowed digital rebate of 4% for LT Domestic and GP single phase customers. Further, to improve the accessibility of payment modes, the licensee has engaged various service providers for easy payment option to the consumers for payment of Energy Bills through offline/online mode. Also, in addition to the above the following rebates are applicable to the Odisha consumers:

a) LT Domestic, LT General Purpose and HT Bulk Supply (Domestic) consumers will get 10 paise/unit rebate for prompt payment of the bill within due date.

b) The rural LT domestic consumers who draw their power through correct meter and pay the bill in time shall get rebate of 10 paise per unit over and above other existing rebate for prompt payment.

c) 4% Rebate to all pre-paid consumers on pre-paid amount.

d) A Special rebate to the LT single phase consumers in addition to any other rebate, he is otherwise eligible, shall be allowed at the end of the financial year (the bill for the month of March), if he has paid the bill for all the 12 months of the financial year consistently without fail within due date during the relevant financial year. The amount of rebate shall be equal to the rebate of the month of March for timely payment of bill.

e) Additional Rebate of Rs.10/ - p.m. if opted E-Bill.

f) The Commercial & Industrial Consumers and Consumers provided with smart meters having MD >10KW are eligible to get a ToD rebate of 20 paise/unit on Energy Charge during Solar Hours. The above Consumers shall pay a ToD surcharge of 30 paise/unit during Peak Hours. The ToD rebate and surcharge shall not be applicable during Normal Hours.

It is further submitted that the petitioner, is strictly bound by the Regulations/ Guidelines framed by the Hon'ble Commission in line with the Electricity Act, 2003.

Further, it may be intimated that since FY 2023-24, DPS has been abolished for DPS on LT Domestic, LT General Purpose and HT Bulk Supply Domestic Consumers.

5. Para no. 5 (Observations related to disconnection of supply without notice):

5. In addition to above DISCOMS are disconnecting the power supply without proper notice, the same should be stopped immediately. The consumers with smart meters are disconnected without proper notice violating OERC directives.

TPSODL Response:

It is submitted that the consumers' power supply is being disconnected after proper notice and prolonged default, in accordance with Regulation 172 of the OERC Distribution (Conditions of Supply) Code, 2019 as per Section 56 of the Electricity Act, 2003. Therefore, the allegation is not true and appropriate.

6. Para no. 6 (suggestion related to benefits of Capex Plan):

6. The Discoms must give detail financial benefits derived from the Capex plan on account of loss reduction and its impact on tariff. The expenses of consumer in case of R&M are *increasing day by day same time interest burden to the consumers on account of loan interest on capex also increasing in case of four companies.*

TPSODL Response:

It is submitted that the detailed of the proposed Capital Investment Plan for FY2026-27 has already been submitted by the petitioner and registered in case no. 78 of 2025. The hearing has been completed and currently, the case is reserved for Order.

We would like to submit that, the benefits of the Capex plan include increased supply reliability, reduction of AT&C loss, better consumer satisfaction; which have been mentioned in the Capex petition.

7. Para no. 7 (Observation related to higher A&G cost proposed and R&M Expenses):

7. *The companies have proposed exuberant rise in A&G expenses which need to be scrutinised by the Commission. Further each company has proposed A&G expenses around 200 crores equal to R&M expenses and the expenses which are not contributing to efficiency must be curtailed. The travel, vehicle, audit expenses on big firms must be checked and must be disallowed.*

TPSODL Response:

We would like to inform that; the increased level of consumer satisfaction is evident due to various initiatives undertaken by the Discom for meeting the consumer expectations related to timely billing, increased number of payment avenues; which is ultimately resulting in higher actual billing efficiency thereby reducing the billing related errors.

These initiatives have necessitated initial costs, while the benefits are being accrued to all the stakeholders. Further, the Hon'ble Commission has observed in the RST Order for FY 2025-26 as under -

> *197. As per OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, A&G expenses are to be escalated by 7% over the expenses for the previous year of the control period. The A&G expense shall be allowed on normative basis in the ARR for the ensuing year and shall be subject to true up. The Commission analysed the A&G expenses submitted by DISCOMs and approves A&G expenditure for FY 2025-26 by escalating the A&G expenses by 7% approved over the expenses for FY 2024-25. The Commission has also analysed the AT&C loss achieved by the respective DISCOMs and observed that the trend is downward which is a good indicator of performance of DISCOMs.*

Below are few key initiatives undertaken by the Licensee since takeover, which has resulted in significant reduction in overall AT&C loss level.

Improvement in Billing Efficiency

OCR based consumer meter reading, installation of Smart Meters and Pre-paid metering for Government and Institutional Consumers, reporting of Unauthorized usage and regularization of unauthorized connections, Regularization of Connections released under Saubhagya scheme, Street Light Connections, Temple Connections, Surveillance/ Site Verification of Bill Stop/TD/Low consumption LI Connections, Energy Audit – Feeder / DT loss analysis & action plan, GIS based Spot Billing, Special Task Force for Bill Revision Activities and Camps for Resolution of Disputed Bills , Dedicated team for reduction of cycle time for replacement of Defective Meters and for identification of Ghost Consumers.

Improvement in Collection Efficiency

100% system generated money receipt against collection, Unified Door to Door Collection APP launched with customization and tracking feature , Mapping of domestic consumer Number in OLI/PLI connections, QR Code introduced on Spot to improve digital payment, involvement of Fuse Call Centres (FCCs) in recovery from ECL consumers, Skill Development to WSHGs engaged in Collection Activity and Reward and Recognition (R&R) for WSHGs, FCCs and RAs, Promotion of Rebate through: SBI CSP, CSC, OCAC, Collection Counters, Jan Seva Kendras, SEWA CAMPs in Slum Areas (One-Stop Solution for Metering, Billing, Bill Revision, and Collection), Roll Out of Missed call pay Service for Rural Consumers and Special Initiative to create Model Gram Panchayats and Focused Recovery from Rural Areas through Gram Panchayat Level Collection Teams.

8. Para no. 8 (suggestion related to Security Deposit):

8. *The Interest on security deposit may be increased, as 6.5% is too low and company is enjoying around 7.5% interest on the security deposit lying with company in case of old security deposit and hence it must be increased.*

TPSODL Response:

It may be submitted that, the Security Deposit is paid by a Consumer as per Regulation 52 of the Supply Code, 2019. This amount is an advance payment to the Distribution Licensee to cover the electricity charges of a Consumer for about two months (based on load factor for different categories of Consumers). The Distribution Licensee pays interest on Security Deposit to the Consumers at Bank Rtae (RBI Bank Rate as on 1st April of the relevant year).

Further, as per the para 213 of the RST Order for FY25-26: -

> *The OERC Distribution (Conditions of Supply Code), 2019 provides for the payment of Interest on Security Deposit to be allowed by the Commission. Para 57(i) of the Supply Code provides that 'The Licensee/supplier shall pay interest on security deposit to the consumer, at the bank rate (RBI Bank Rate as on 1st April of the relevant year)'. The prevailing bank rate considered is 6.50% per annum (latest data taken on 23rd March 2025). The Commission, accordingly, allows the interest at the rate of 6.50% on the proposed closing balance on Consumer's Security Deposit as on 31.3.2025.*

TPSODL has calculated the interest on security deposit @ 6.50% on the closing balance of security deposit amount for FY 2025-26.

9. **Para no. 9, 10, 11 & 12 (suggestions related to waiver of meter rent, tariff hike, treatment of Tax of RoE, Employee cost, A&G cost, passing of non-tariff income in full to the consumers, scrutiny of expenses):**

9. *Installation of meters are solely with the company. why the poor consumers of Odisha will bear the capital cost or meter rent.*
   Hence, there should be no tariff hike.
10. *The true up exercises of past years must be actual and as per parameter approved by tariff and regulation. But it is observed that the same claimed in normative basis taking up efficiency gain in Misleading manner. The unchecked employee cost as well as unproductive expenditure on A&G may not be allowed as consumes are paying heavy price without any efficiency gain. Further The expenditure may be scrutinised in respect of actual as well as provisions booked on different heads.*
11. *The non-tariff income such as rebate to the consumer, Supervision charges, over drawl penalty & DPS should be passed on the consumer in full instead of 1/3rd proposed by all Discoms.*
12. *The current year revenue gap proposed by Discoms has to be examined. The income tax and tax on equity has not separately shown in the proposed gap. So, the surplus will be more than proposed. The profit as per P/c has to be examined with proposed tariff.*

TPSODL Response:

It may be submitted that, TPSODL had submitted a petition with the Hon'ble Commission for waiver of smart meter rent vide case no 102 of 2024, which was disposed of by the Commission during the tariff proceedings for FY 25-26, wherein the Hon'ble Commission directed the waiver of smart meter rent for the Consumers upto 2 kW.

The Discoms are submitting the monthly status report on the Smart meter installation to the Energy Dept. for their review.

It may also be submitted that, the matter regarding no tariff hike is prerogative of the Hon'ble Commission.

The Petitioner would like to submit that, all the submission made under the True up applications are based on the Audited reports and in accordance with the provisions of the OERC Tariff Regulation, 2022.

We would like to submit that; the above submission is subject to the prudence check of the Hon'ble Commission.

The revenue deficit is projected by TPSODL after proper scrutiny and as per prevalent regulatory provisions.

10. Para no. 13 (observation related to R&M expenses proposed):

13. *Further the commission has approved capex over and above but no substantial improvement is visible in terms of replacement of old damaged poles, conductors, transformers and fencing by utilisation of said money. But huge amount of money is pumped through R&M for replacement of poles, conductors.*
    The same are capitalised and considered in capex, the commission may have a prudent check of the above. The accounting of Capex and Opex has to be examined small value items including tools and tackles such as discharge rods, neon testers, safety helmets, PPE kits, replacement of jumpers, clamps connectors etc. which are required for maintenance of line network and Sub Stations in order to provide uninterrupted power supply to the consumers are to be met out of the R & M expenditure allowed in this order. Further, repairs like white washing, minor modification, face lifting of office ambiance and repair for boundary wall of PSS & offices etc. should be met out of R&M expenditure. Such item/activity should not be considered/accounted as capital items and capitalized. However, the detailed list with the purchase value of such items/activity should be recorded minutely.

TPSODL Response:

Based on the learning from last 5 years of stabilised operation, TPSODL had further optimised the comprehensive AMCs along with the manpower deployment structure for all six circles for operation and maintenance of 33KV, 11KV & LT assets to create a culture of preventive maintenance. The Performance Based Maintenance Contract also includes 24X7 Breakdowns Crews for restoration of 33KV & 11KV feeders and substation equipment. Besides, preventive maintenance activities are being performed as per the maintenance plan using the SAP PM system.

The network is being inspected regularly through manual patrolling as well as drone inspection in forest and inaccessible areas. Thermo-scanning is done for the entire network using high power thermo scanning cameras and to identify the defects, hotspots and attend breakdowns in quick time and perform preventive maintenance activities to enhance system reliability by rectifying the probable faults even before they occur.

We would like to submit that, the benefits of the Capex plan include increased supply reliability, reduction of AT&C loss, better consumer satisfaction; which have been mentioned in the Capex petition.

11. Para no. 14 (Audit of the Company):

14. The accounts of the company and the Capex plan funded by the Govt must be audited by CAG at least once in three years.

TPSODL Response:

The financials of company are audited by the Independent Auditor on a regular basis, i.e. on quarterly, half yearly and annual basis. In addition, the Hon'ble Commission reviews the performance of the company on a half-yearly and annual basis.

It may further be stated that, the day-to-day operation of the company is guided by the guidelines/regulations issued by the Hon'ble Commission.

12. Para no 15 (Audit of the TPSODL expenses):

15. The expenses must be audited for five years in and Commission may be given access to view it instead of getting a doctored copy from the Company.

TPSODL Response:

The financials of company are audited by the Independent Auditor on a regular basis, i.e. on quarterly, half yearly and annual basis. In addition, the Hon'ble Commission reviews the performance of the company on a half-yearly and annual basis.

Further, the Company is subject to the major performance audit by the Hon'ble Commission as per the Vesting Order after 5 years of operation.

13. Para no. 16 & 17 (Objections related to the Revenue gap proposed by the Discom, DPS on Domestic and GP category):

16. We do not agree with huge deficit projected by all Discoms.
17. We do not agree with levy of DPS to domestic and GP consumers as proposed by all the licensee as all know the reason of withdrawal of the same. We feel that poor consumers should not be burdened with levy of DPS.

TPSODL Response:

The revenue deficit is projected by TPSODL after proper scrutiny and as per prevalent regulatory provisions.

The DPS proposal has been made for specific categories after observing the pattern of payment by them and to act as a deterrent measure only.

14. Para no. 18, 19 & 20 (Smart meter installation status):

18. Further, there is no clarity regarding consumer who have purchased meter at their own cost and cost of assets created on govt scheme goes to waste and discoms claim R & M 3% on funded assets. So, we don't find positivity to the smart meter plan of Discoms funded in Capex where the burden will pass on the consumer.
19. We do not agree with the proposal of proposed revision of reconnection charges in earlier tariff order.
20. We object to the utilisation of security deposit towards capital works of the Discoms. Further in case of publication of SOP for policy changes the licensee should have to consider for vetting of the same by Govt. and other statutory authorities.

TPSODL Response:

It may be submitted that, TPSODL has submitted a petition with the Hon'ble Commission for waiver of meter rent vide case no 102 of 2024, which was disposed of by the Commission during the tariff proceedings for FY 25-26, wherein the Hon'ble Commission directed the waiver of smart meter rent for the Consumers upto 2 kW.

The Discoms are submitting the monthly status report on the Smart meter installation to the Energy Dept. for their review.

In response to para 19 &20, we do not agree with the submission of the petitioner.

Further, every proposal for SoP revision is put forward to authorities after detailed examination and analysis.

ANNEXURE-17

TPSODL Response to Objections/Queries raised

Case No. 132/2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
Minati Rath
NOTARY PUBLIC
Berhampur, Gm., Odisha

TP SOUTHERN ODISHA DISTRIBUTION LTD * BERHAMPUR *

TPSODL

TPSODL/Regulatory/2026/31/557 (2)

27-January-26

To,
M/s Saraswati Educational & Charitable Trust (SECT),
K-8-82, Kalinga Nagar,
Ghatikia,
Bhubaneswar-751024

Sub: Case No. 132 of 2025 (ARR application of TPSODL) Objections/Observations of M/s Saraswati Educational & Charitable Trust (SECT).

Ref.: Your submission dated 13th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

1. TPSODL has filed the Annual Revenue Requirement and Retail Supply Tariff Application for the financial year 2026-27 under section 62 and other applicable provisions of the Electricity Act, 2003 and in conformity with the provisions of OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulation, 2022 and OERC (Conduct of Business) Regulations, 2004. The para-wise issue-wise response to the views/issues by the Ld. Objector are furnished hereunder.

2. **Para no. 3 (Ensuring affordability is essential so that the cost of power and service connection charges gradually reduce overtime):**

View: Ensuring affordability is essential so that the cost of power and service connection charges gradually reduce overtime.

TPSODL Response:

It is submitted that Retail Supply Tariff, service connection charges and other consumer-related charges are determined and approved by the Hon'ble Commission after considering the interest of all stakeholders including consumers and further ensuring the financial sustainability of the distribution sector.

It may be informed that, the operating principles of TP Discoms are guided by the directives/regulations of the Hon'ble Commission e.g. OERC Supply Code 2019 and OERC Tariff regulations 2022.

The Discom is making its best efforts to provide reliable, quality and affordable power supply to households, industries, MSMEs and overall economic development of the State.

3. **Para no. 4 (Demand Side Management):**

view /suggestion: Discom may initiate Demand Side Management

TPSODL Response:

The suggestion on demand-side management (DSM), engagement of ESCOs, involvement of NGOs and enhanced CSR activities, it is submitted that such initiatives are aligned with the broader objectives of efficiency improvement, consumer engagement and sustainable operations of the overall distribution sector.

Implementation of DSM programs and related initiatives is undertaken in accordance with applicable regulations and subject to approval and directions of the Hon'ble Commission.

TP Discoms remain committed to improve supply reliability, increasing consumer interface avenues and addressing other commercial and operational challenges through structured technological interventions, while complying with all regulatory requirements and directions of the Hon'ble Commission.

4. **Para no. 5 & 6 (The Licensee has failed to develop and maintain a robust and comprehensive consumer database capturing essential particulars,)**

Respondent's view /suggestion: The Licensee has failed to develop and maintain a robust and comprehensive consumer database capturing essential particulars.
TPSODL Response: The licensee submits that it is maintaining consumer and system-related data in accordance with the provisions of the OERC (Wheeling and Retail Supply Tariff) Regulations, 2022 and other applicable regulations. The information provided in the ARR application, including number of consumers, category-wise sales, demand, losses and projections, is based on available records, system studies and approved methodologies and is subject to scrutiny by the Hon'ble Commission. The licensee further submits that that development and strengthening of data systems is a continuous process, particularly in a transitioning distribution environment. The petitioner is undertaking ongoing initiatives to enhance the robustness, granularity and validation of consumer and network data through system digitisation, metering, IT applications and process improvements, in line with the requirements of Regulation 5.3.4. It is further submitted that sales forecasting and demand projections are carried out using established practices and are further examined by the Hon'ble Commission on prudence basis during the Tariff determination proceeding each year. Any gaps or additional requirements identified by the Hon'ble Commission are duly addressed through compliance submissions and future filings

5. **Para no. 7 (DPS on LT Domestic, LT GPS, and HT Bulk Supply (Domestic consumer) should not be permitted):**

Respondent's view /suggestion: DPS on LT Domestic, LT GPS, and HT Bulk Supply (Domestic consumer) should not be permitted.
TPSODL Response:

The licensee submits that the levy of Delayed Payment Surcharge (DPS) is governed by the provisions of the Electricity Act, 2003 and the applicable regulations and Tariff Orders issued by the Hon'ble Odisha Electricity Regulatory Commission. The proposal relating to DPS has been made in accordance with the prevailing regulatory framework and is subject to approval of the Hon'ble Commission. Further, it may be intimated that since FY 2023-24, DPS has been abolished for DPS on LT Domestic, LT General Purpose and HT Bulk Supply Domestic Consumers.

6. **Para no. 8 (Digital Rebate)**

Respondent's view /suggestion: Digital Rebate of 4%
TPSODL Response: The licensee submits that the digital rebate has been proposed in accordance with the applicable regulatory framework and with the objective of promoting digital modes of payment, improving billing and collection efficiency and enhancing consumer convenience. As the Rebate is allowed by the Hon'ble Commission for FY25-26, the proposal for continuance of the same the digital rebate is subject to approval of the Hon'ble Odisha Electricity Regulatory Commission.

7. **Para no.9 (An Additional Rebate of Rs. 10/-per month to may be allowed to consumer who opt for e-bill).**

Respondent's view /suggestion: An Additional Rebate of Rs. 10/-per month to may be allowed to consumer who opt for e-bill.
TPSODL Response: The licensee submits that the proposal for providing an additional rebate to consumers opting for E-bill and to eligible smart meter consumers has been made with the objective of promoting digital communication, reducing paper usage, improving billing efficiency and enhancing consumer convenience. As the Rebate is allowed by the Hon'ble Commission for FY25-26, the proposal for continuance of the same is subject to approval of the Hon'ble Odisha Electricity Regulatory Commission.

8. Para no. 10 (Licensee may be directed to clarify the total number of consumers who opt for e-bill.)

Respondent's view /suggestion: Licensee may be directed to clarify the total number of consumers who opt for e-bill.

TPSODL Response:

The licensee would like to submit that, submits that 38,587 number of consumers have opted for e-bill facility (as on 31st Dec'25) under the area of operation.

9. Para no. 11: (Reconnection Charges).

Respondent's view /suggestion: Reconnection Charges should be abolished prepaid/ postpaid smart meter and for existing standard meters and the reconnection charges should be reduced considering the higher employee cost allocation to Discoms by the Hon'ble Commission

TPSODL Response:

The licensee would like to submit that, the reconnection charges have been approved by the Hon'ble Commission through earlier Tariff Orders after due prudence check and are levied strictly in accordance with the approved Schedule of Charges. The said charges are intended to recover reasonable costs associated with disconnection and reconnection activities, including field operations, system access, safety compliance, and administrative processes.

Further, it submitted that the comparison with telecom services is not appropriate, as electricity distribution involves physical network intervention, safety-critical operations, and statutory obligations distinct from telecom services.

Any proposal for abolition or rationalisation of reconnection charges, including for prepaid/postpaid smart meters, falls within the jurisdiction of the Hon'ble Commission. The licensee shall levy charges strictly as approved and shall comply with the directions of the Hon'ble Commission.

10. Para no. 12: (Service Connection Charges)

Respondent's view /suggestion: The Charges levied by Discoms for service connection charges for three phase connections which seems to be at a higher side hence should be reviewed & reduced if applicable.

TPSODL Response:

Any review or rationalisation of service connection charges falls within the jurisdiction of the Hon'ble Commission.
The licensee would like to submit that, any change/modification in the aforesaid charges notified by the Hon'ble Commission will act as the guideline for the licensee.

11. Para no. 13: (Display of Official instead of personal info.)

Respondent's view /suggestion: Display of Official Phone no/E-mail address instead of personal E-mail ID & Phone No.

TPSODL Response:

On TPSODL Website, contact details of Circle heads, Division heads and contact number for various services have been provided through which consumer can reach us.

12. Para no. 17: (Solarisation of agriculture feeders, initiatives)

Respondent's view /suggestion: Discom submit a time-bound action plan for immediate execution of pending KUSUM-C awareness initiatives.

TPSODL Response:

In PM KUSUM C1(Individual Pump level solarization) MNRE has revised it sanction to Zero for Odisha. So now it is not being implemented under TPSODL and hence currently, no awareness activities being carried out under TPSODL.

13. Para no. 23 (Enforce Safety Protocols and SOP)

Respondent's view /suggestion: Discoms to establish and enforce safety protocols and SOP for the installation of telecom cables, ensuring the integrity of the power infrastructure.

TPSODL Response:

It may be submitted that, the licensee never allows any telecom company to lay their cables through the electric poles unauthorizedly which creates un-safe conditions. Any rental income generated from the telecom company is accounted properly as per the provisions of OERC Tariff Regulation 2022.

14. Para no. 24,25,26 & 27 (Other Issues)

Respondent's view /suggestion: Other Issues such as progress of Kusum Schemes, Provisional Assessment, Hybrid mode hearing in GRF and Ombudsman and CSR activities.

TPSODL Response:

TPSODL Response:

(i) The status of PM Surya Ghar Scheme, Kusum-A & Kusum-C till 30th Jan'26, are furnished below.

Following is the status of PM Surya Ghar Scheme under TPSODL as on 30.01.2026:

Sr. No.	Particulars	UoM	Quantity
1.	Total no. installation	Nos	3504
2.	Total Capacity	MW	10.85
3.	Total Energy Generated	MU	4.29 (appx.)

(ii) Progress under PM KUSUM-A: Under PM KUSUM –A , PPA executed for 22 Nos. of projects having cumulative capacity 35.5MW out of which OREDA will execute 12MW Capacity . Out of the above, 11KV line work is under execution in the project under GNED, Bhanjanagar, BED-III, Berhampur and GSED, Digapahandi .Other projects are under the process of Land acquisition and financial closure carried out by SPGs.

(iii) Progress under PM KUSUM-C: PPA executed for Five numbers of projects under JED, Jeypore and NED, Nabarangapur having capacity of 3.365MW as on 30.01.2026. All these projects are under the process for land acquisition carried by SPGs.

(iv) The Licensee adheres to the rules and regulation and the provisions of the Act. Further, the licensee is also operates within the framework and regulations laid by the Hon'ble Commission in the OERC Supply Code,2019. Therefore, allegation of Ld. Objector that Discoms are invoking Section 126 of the Act to book consumer and disconnections without the issuance of provisional assessments is not correct. If such instant has taken place Ld. Objector can bring to the Discoms notice.

(v) The Hon'ble Commission may consider the Learned Objector's suggestion and pass the necessary direction for introduction of Hybrid mode hearing applicable for GRF and Ombudsman proceedings.

(vi) As per section 135 of the Companies Act, 2013, it is mandatory for the companies to comply with the CSR provisions and are required to spend a minimum of 2% of their net profit over the preceding three years as CSR. Board of TPSODL has formed a CSR Committee which is empowered to direct and approve areas where CSR budget can be spent in order to maximise the benefit to society in Odisha. Need assessment through a structured process, being done to identify the areas of importance and the same is placed before the CSR committee for their perusal and approval. This ensures the channelizing the benefit to the section of society which need CSR. All the CSR expenditure are being placed before the CSR committee meeting and being discussed at length and comparison also done against the approved budget. Impact assessment of the CSR expenditure society is also undertaken. Company has a robust system of procurement to pay process and thereby making every expenditure to undergo a maker and checker process. Also, Company has robust internal audit system being conducted by renowned firm to ensure the reasonableness and governance built around the process and all the expenditure are subjected to their audit scope.

(vii) Further, it may be submitted that the licensee has not sought any CSR related expenditure under A&G cost in the ARR application.

15. Para no. 29: (Amnesty Scheme)

(Respondent's view /suggestion: Amnesty scheme for clearance of Arrears of Pre-Vesting period.

TPSODL Response:

The Respondent Discom would like to submit before the Hon'ble Commission that the Petitioner along with the Discoms have already submitted the application for approval of the AAC scheme on 02.01.2026 for kind consideration and approval of the Commission.

ANNEXURE-18

TPSODL Response to Objections/Queries raised

Case No. 132 & 133 /2025

FORMS PART OF
AFFIDAVIT/AGREEMENT
NOTARY PUBLIC
Berhampur, Gm., Odisha

TPSODL

TPSODL/Regulatory/2026/26/552 (2) 27-January-26

To,
Shri, Prasanna Kumar Chhotray
Opposite to Circuit House,
Railway Station Road,
Ganjam, Berhampur - 760005

Sub: Case No. 132 of 2025 (ARR application of TPSODL) – Objections/Observations of Shri, Prasanna Kumar Chhotray.

Ref.: Your submission dated 13th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

Appendix

The para wise clarification to the objection raised by the objector is as below.

1. **Para no. 1 (Observations related to proposed employee cost, R&M cost and A&G Expenditure, Power Outages, MBC Cost):**

1. *The ARR of all discoms proposes an exuberant in expenditure in employees' cost, Repair & maintenance cost and A&G expenditure which is double then the last year approved expenditure. Further power outrages have gone up after TATA power taken over the company. If the gap proposed by the all Discoms is allowed it will increase the cost of unit by Rs 1.00 per unit. The meter reading and billing cost per consumer per month comes to around Rs 45 which is very high and needs a prudent check.*

TPSODL Response:

It is submitted that, the details of the petitioner's proposed expenditures are submitted as part of the ARR application along with the proper justification supported by relevant annexures. The above-mentioned expenditures are necessary to provide reliable and efficient service to the consumers as well as comply with the conditions set in the Hon'ble Commission's vesting order vide Case no-83/2020.

2. **Para no. 2 (Observations related to DPS, Provisional billing etc.):**

2. *The present rate of interest on fixed deposits around 6% but the consumer is charged 18% in the corona year for non payment of bills Further the bills of consumers are not served and generated on provisional but same time rebate are not passed on to the consumer when the actual bill is generated.*

TPSODL response:

Delay payment surcharge had been claimed as per rate approved by the Commission, i.e. 1% per month or say 12% per annum for domestic and LT Commercial Consumer.

Further, it may be submitted that the intention of licensee is not to earn profit from Delay Payment Surcharge (DPS). Rather the Discom prefer s receiving on time payment from its Consumer to be able to pay its bulk power purchase cost and meet other expenses related to day to day operation. The DPS acts as the deterrent, and further motivates the consumer to pay its electricity bill in time. The licensee also allows all eligible rebate entitled by a Consumer by virtue of prevailing Retail Supply Tariff order.

TPSODL would like to submit that the Hon'ble Commission has allowed digital rebate of 4% for LT Domestic and GP single phase customers. Further, to improve the accessibility of payment modes, the licensee has engaged various service providers for easy payment option to the consumers for payment of Energy Bills through offline/online mode. Also, in addition to the above the following rebates are applicable to the Odisha consumers:

a) LT Domestic, LT General Purpose and HT Bulk Supply (Domestic) consumers will get 10 paise/unit rebate for prompt payment of the bill within due date.

b) The rural LT domestic consumers who draw their power through correct meter and pay the bill in time shall get rebate of 10 paise per unit over and above other existing rebate for prompt payment.

c) 4% Rebate to all pre-paid consumers on pre-paid amount.

d) A Special rebate to the LT single phase consumers in addition to any other rebate, he is otherwise eligible, shall be allowed at the end of the financial year (the bill for the month of March), if he has paid the bill for all the 12 months of the financial year consistently without fail within due date during the relevant financial year. The amount of rebate shall be equal to the rebate of the month of March for timely payment of bill.

e) Additional Rebate of Rs.10/ - p.m. if opted E-Bill.

f) The Commercial & Industrial Consumers and Consumers provided with smart meters having MD >10KW are eligible to get a ToD rebate of 20 paise/unit on Energy Charge during Solar Hours. The above Consumers shall pay a ToD surcharge of 30 paise/unit during Peak Hours. The ToD rebate and surcharge shall not be applicable during Normal Hours.

It is further submitted that the petitioner, is strictly bound by the Regulations/ Guidelines framed by the Hon'ble Commission in line with the Electricity Act, 2003.

Further, it may be intimated that since FY 2023-24, DPS has been abolished for DPS on LT Domestic, LT General Purpose and HT Bulk Supply Domestic Consumers.

3. **Para no. 3 (Observations related to disconnection of supply without notice):**

3. In addition to above DISCOMS are disconnecting the power supply without proper notice the same should be stopped immediately. The consumers with smart meters are disconnected without proper notice violating OERC directives.

TPSODL response:

It is submitted that the consumers' power supply is being disconnected after proper notice and prolonged default, in accordance with Regulation 172 of the OERC Distribution (Conditions of Supply) Code, 2019 as per Section 56 of the Electricity Act, 2003. Therefore, the allegation is not true and appropriate.

4. **Para no. 4 (suggestion related to benefits of Capex Plan):**

4. The Discoms must give detail financial benefits derived from the Capex plan on account of loss reduction and its impact on tariff. The interest impact of such unchecked capex plan around 700 Cr. This needs a attention immediately.

TPSODL response:

It is submitted that the detailed of the proposed Capital Investment Plan for FY2026-27 has already been submitted by the petitioner and same has been registered case no. 78 of 2025 by the Hon'ble Commission. The hearing has been completed and currently, the case is reserved for Order.

We would like to submit that, the benefits of the Capex plan include increased supply reliability, reduction of AT&C loss, better consumer satisfaction; which have been mentioned in the Capex petition.

5. **Para no. 5 (Observation related to higher A&G cost proposed):**

5. All the companies has proposed exuberant rise in A&G expenses which need to be scrutinised by the commission as the people of the southern state deprived of livelihood due to corona.

TPSODL response:

We would like to inform that; the increased level of consumer satisfaction is evident due to various initiatives undertaken by the Discom for meeting the consumer expectations related to timely billing, increased number of payment avenues; which is ultimately resulting in higher actual billing efficiency thereby reducing the billing related errors.

These initiatives has necessitates initial costs, while the benefits are being accrued to all the stakeholders. Further, the Hon'ble Commission has observed in the RST Order for FY 2025-26 as under -

> *197. As per OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022, A&G expenses are to be escalated by 7% over the expenses for the previous year of the control period. The A&G expense shall be allowed on normative basis in the ARR for the ensuing year and shall be subject to true up. The Commission analysed the A&G expenses submitted by DISCOMs and approves A&G expenditure for FY 2025-26 by escalating the A&G expenses by 7% approved over the expenses for FY 2024-25. The Commission has also analysed the AT&C loss achieved by the respective DISCOMs and observed that the trend is downward which is a good indicator of performance of DISCOMs.*

6. **Para no. 6 (suggestion related to Security Deposit):**

6. The Interest on security deposit may be increased 7% as is too low and company is enjoying 7.5% interest on the security deposit lying with company.

TPSODL response:

It may be submitted that, the Security Deposit is paid by a Consumer as per Regulation 52 of the Supply Code, 2019. This amount is an advance payment to the Distribution Licensee to cover the electricity charges of a Consumer for about two months (based on load factor for different categories of Consumers). The Distribution Licensee pays interest on Security Deposit to the Consumers at Bank Rate (RBI Bank Rate as on 1st April of the relevant year).

Further, as per the para 213 of the RST Order for FY25-26:-

> *The OERC Distribution (Conditions of Supply Code), 2019 provides for the payment of Interest on Security Deposit to be allowed by the Commission. Para 57(i) of the Supply Code provides that 'The Licensee/supplier shall pay interest on security deposit to the consumer, at the bank rate (RBI Bank Rate as on 1st April of the relevant year)'. The prevailing bank rate considered is 6.50% per annum (latest data taken on 23rd March 2025). The Commission, accordingly, allows the interest at the rate of 6.50% on the proposed closing balance on Consumer's Security Deposit as on 31.3.2025.*

TPSODL has calculated the interest on security deposit @ 6.50% on the closing balance of security deposit amount for FY 2025-26.

7. **Para no. 7 & 8 (suggestion related to provision of installment on Security Deposit, extension of digital rebate to other category of consumers than Dom & Com category):**

7. The consumers may be given instalment facility at least 3 to deposit security deposit to restart the industry.

8. Unlike domestic and commercial consumers other consumers may be provided with suitable digital rebate.

TPSODL response:

TPSODL would like to express its disagreement with the proposal of the petitioner on para no. 7. It may be intimated that, the Security Deposit act as the advance which is charged in accordance with the OERC Supply Code 2019 provisions and the consumers earn the interest on such deposit.

Currently, 4% Rebate is allowed to all pre-paid consumers on pre-paid amount. Also, the Hon'ble Commission has allowed additional Rebate of Rs.10/ - p.m. if opted E-Bill.

8. **Para no. 9,10, 11,12 & 13 (suggestions related to waiver of meter rent, tariff hike, treatment of Tax of RoE, Employee cost, A&G cost, passing of non-tariff income in full to the consumers, scrutiny of expenses):**

9. *The company has plan to install meter why the poor consumers of ODISHA will bear the capital cost or meter rent. The cost must be bear by the GOVT or Discoms.*

10. *There should be no tariff hike.*

11. *The true up exercises of past years must be actual and as per parameter approved by tariff and regulation but it is observed that same is claimed in normative basis taking up efficiency gain in misleading manner. Further every company paid income tax due to profit. Some are claimed in distribution expenses. If the effective tax rate is 25% the profit arrived as per profit & loss account may be passed on to the consumer as surplus. The Tax on return on equity may not be considered as it has to be paid out of their return on capital as every income tax payer is paying on their income. Passing the same to the consumer is not acceptable. Further the DERC has fixed return on equity as 10% which much below the return on equity fixed as per regulation. The unchecked employee cost as well as unproductive expenditure on A&G may not be allowed as consumer is paying heavy price without any efficiency gain. Further The non-tariff income such as rebate to the consumer, Supervision charges, over drawl penalty & DPS should be passed on the consumer in full instead of 113rd proposed by all Discoms. The expenditure may be scrutinised in respect of actual as well as provisions booked on different heads.*

12. *The non-tariff income such as rebate to the consumer, Supervision charges, over drawl penalty & DPS should be passed on the consumer in*

13. *The current year revenue gap proposed by licence has to be examined. The income tax and tax on equity has not separately shown in the proposed gap. So, the surplus will be more than proposed. The profit as per P/c has to be examined with proposed tariff.*

TPSODL response:

It may be submitted that, TPSODL had submitted a petition with the Hon'ble Commission for waiver of smart meter rent vide case no 102 of 2024, which was disposed of by the Commission during the tariff proceedings for FY 25-26, wherein the Hon'ble Commission directed the waiver of smart meter rent for the Consumers upto 2 kW.
The Discoms are submitting the monthly status report on the Smart meter installation to the Energy Dept. for their review.

It may also be submitted that, the matter regarding no tariff hike is prerogative of the Hon'ble Commission.

The Petitioner would like to submit that, all the submission made under the True up applications are based on the Audited reports and in accordance with the provisions of the OERC Tariff Regulation, 2022.

We would like to submit that; the above submission is subject to the prudence check of the Hon'ble Commission.

The revenue deficit is projected by TPSODL after proper scrutiny and as per prevalent regulatory provisions.

9. Para no. 18 & 19 (Objections related to the Revenue gap proposed by the Discom, DPS on Domestic and GP category):

18. We do not agree with huge deficit projected by TPSODL and other discoms. They must the run the business effectively to achive breakeven. Even after five years they go on projecting defecit.

19. We do not agree with levy of DPS to domestic and GP consumers as proposed by all the licensee as all know the reason of withdrawal of the same. We feel that poor consumers should not be burden with levy of DPS.

TPSODL response:

The revenue deficit is projected by TPSODL after proper scrutiny and as per prevalent regulatory provisions.

The DPS proposal has been made for specific categories after observing the pattern of payment by them and to act as a deterrent measure only.

10. Para no. 20 (Objections related to Smart meter funding):

20. In case of their discoms across India the smart meter project is funded by Govt. of India as well as IPDS plan. However, in IPDS project is not taken as per plan directive of Govt of India. Further there is no clarity regarding consumer who have purchased meter at their own cost and cost of assets created on govt scheme goes to waste and discoms claim R & M 3% on funded assets. So, we don't find positive to the smart meter plan od discoms funded in capex where the burden will pass on the consumer.

TPSODL response:

In response to point no. 20 we do not agree with the submission of the petitioner.

It is submitted that all the activities of the Discom are being performed in accordance with relevant provisions of the OERC Distribution (Conditions of Supply) Code, 2019 and the Electricity Act, 2003.

It may be submitted that, TPSODL had submitted a petition with the Hon'ble Commission for waiver of smart meter rent vide case no 102 of 2024, which was disposed of by the Commission during the tariff proceedings for FY 25-26, wherein the Hon'ble Commission directed the waiver of smart meter rent for the Consumers upto 2 kW.

The Discoms are submitting the monthly status report on the Smart meter installation to the Energy Dept. for their review.

Further, as per the directive issued by the Hon'ble Commission, all the new smart meters are operating on Post-Paid mode by default, unless the consumer opts for the pre-paid mode.

11. Para no. 21 (Nonfunctional of Call Centre):

21. The call centre created with a huge money are nonfunctional and not able to address the consumer complaint in time.

TPSODL response:

In response to para 21, we would like to inform that TPSODL has upgraded the 24x7 call centre for providing self-service through IVRS (Interactive Voice response System) to the consumer.

IVRS facilities assist and guide consumers for registering their complaints, get the bill, payment details through system. Such facilities has enhanced the capabilities of the call centre for catering increased number of incoming calls.

12. Para no. 22 (Personal hearing in Discoms):

22. There is no system of personal hearing in discoms as like govt. They work in isolated manner avoiding consumer interaction.

TPSODL response:

In response to para 22, we would like to submit that, TPSODL has introduced the system based dedicated complaint management process.

In addition to this, TPSODL has deployed many customer relationship executives at all divisions, cashier cum customer care associates and junior manager commerce at section offices for consumer interaction, monitoring and effective resolution of consumer complaints. With a proactive approach "**Gaon Chalo**" organized in rural areas for instant resolution of queries and complaints.

13. Para no. 23 (Power Cut):

The power cut is in rampant in the name of Capex as well as maintenance work in all discoms

Further in case of publication of SOP for policy changes the licensee should have consider for vetting of same by Govt and other statutory authorities. tory authorities.

TPSODL response:

In response to the para 23, we would like to submit that, in TPSODL area, there is no intentional power cut except the breakdown and outage taken for the purpose of preventive maintenance. TPSODL has been providing steady and reliable power supply to its customers across its geography.

TPSODL has largely focused on preventive maintenance of its existing network and assets.

Daily information regarding Power cut / Breakdown / Shut down / Load shedding / Grid failure are being shared through **"URJA MITRA"** portal. Other than this multiple communications channel is being used for such information like TPSODL website, TPSODL Mitra App, Local media and TPSODL Call Centre.

Every proposal for SoP revision related to utilization of security deposit, bill revision is put forward to authorities after detailed examination and analysis. The rationality behind it is already explained in the petition.

Further, it may be reiterated that, there is no discrimination to any particular category of employees as TPSODL believes in inclusive growth and welfare of all categories of employee.

ANNEXURE-19

TPSODL Response to Objections/Queries raised

Case No. 135/2025

TPSODL

TPSODL/Regulatory/2026/29/555 (2)

27-January-26

To,
M/s. Indus Towers Limited,
2nd Floor, Plot No. C-3/2,
Chandaka Industrial Area,
Chandrasekharpur,
Bhubaneswar-751021

Sub: Case No. 135 of 2025 (LT Open Access application of TPSODL) – Objections/Observations of M/s. Indus Towers Limited.

Ref.: Your submission dated 12th January 2026

Dear Sir,

We are herewith submitting our response to the queries raised/ observations made by you in the attached **Appendix**.

We trust our submission is in order.

Yours faithfully

(Bijay Kumar Mohanty)
Chief – Finance & Regulatory

cc:
The Secretary,
Odisha Electricity Regulatory Commission
Plot No. 4, Chunokoli,
Shailshree Vihar
Bhubaneswar - 751021

TP **SOUTHERN** ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)
Regd./Corp Office: Kamapalli, Courtpeta, Berhampur, Ganjam, Odisha – 760 004
Website: www.tpsouthernodisha.com Email: tpsodl@tpsouthernodisha.com
Corporate Identification Number (CIN):U40109OR2020PLC035195, GSTN: 21AAICT3239P1Z1

Appendix

TPSODL took over the license to distribute electricity in the 8 revenue districts namely Boudh, Gajapati, Ganjam, Kandhamal, Koraput, Malkangiri, Nabrangpur and Rayagada districts of Southern part of Odisha, which were earlier served by erstwhile SOUTHCO Utility. With the transfer of the utility of SOUTHCO to TPSODL, the Licensee of SOUTHCO Utility stood transferred to TPSODL with effect from 01.01.2021 as per the Vesting Order of Hon'ble Commission. Para wise reply to the points raised by the respondent on the LT Open Access application of the licensee are furnished hereunder.

1. Point no. 1:

Plea: Open Access Charges and Tariff Stability for Green Energy Open Access

TPSODL Response:

The purpose of Green Energy Open Access regulations is to accelerate India's renewable energy transition by enabling commercial and industrial (C&I) consumers to buy clean power directly from generators, bypassing local utilities, thereby ensuring affordable, reliable, green energy, cutting emissions, and reducing power costs through simplified procedures, lower entry barriers (down to 100 kW), and clear charges for grid usage. These rules empower consumers to choose green sources, promote competition, and support national clean energy goals.

In line with the Ministry of Power Green Energy Open Access (GEOA) Rules' 2022, OERC has also notified Odisha Electricity Regulatory Commission (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023 on 11th January 2023 for promoting Renewable Energy in the state of Odisha.

Considering all applicable guidelines specified in the aforesaid regulations, Licensee has prepared and filed application before Hon'ble Commission for determination and approval of Wheeling Charges, Wheeling Losses, Cross Subsidy Surcharge for LT Consumers intended to avail green power through Open Access. It is requested before Hon'ble Commission to decide the matter suitably and issue necessary directives in this regard.

2. **Point no. 2:**

Plea: Industrial Tariff for Telecom Sector

TPSODL response:

A consumer is categorized under a particular category depending upon purpose for which the power is utilized. The purpose of use and category of consumer has been defined in clause 138 of Odisha Electricity Regulatory Commission Distribution (Conditions of Supply) Code, 2019.

As per clause 138 of the Regulation, Industrial Category is applicable where power is substantially utilized as motive force for industrial production. Since the use of power by the objector is not for industrial purpose, TPSODL is not in agreement with the prayer of objector for covering it under industrial tariff as it will create discrimination among other similar type of user.

3. **Point no. 3:**

Plea: Single application and single fee for Aggregated Load under GEOA, Metering requirement for GEOA consumer at LT level, Standby Charges, Banking Provision, SoPs for metering and Billing

Bulk Consumers be permitted to directly procure power from GRIDCO under Green Energy Open Access framework.

TPSODL response:

The Discom would request the Hon'ble Commission to issue suitable clarifications to the Objector's plea under the Odisha Electricity Regulatory Commission (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023.

Further, the Discom has already submitted its views on proposal of the Objector to procure power from GRIDCO under Green Energy Open Access; wherein it has proposed for the sale of the Green Energy may be routed though the Discoms after determination of Green Energy Tariff.