

## MESCOM

Replies to the Preliminary Observations on the Applications filed by the MESCOM for approval of APR for FY22 and ARR for FY24 Retail Supply Tariff for FY24 under MYT Framework.


### 1. Sales- Other than IP sets:

#### i) Annual Performance Review for FY22:

During 2021-22, major decrease when compared to KERC approval sale of LT2(a), LT3, HT2(b) and HT2(c) category. But the actual sale in all these categories has been increased when compared to actual sales of 2020-21. The sales in these categories during 2021-22 is not up to the KERC approved sales because of second level Covid-19 pandemic/ lock down situation. However, the sales in respect LT4(a) category in 2021-22 is decreased when compared to KERC approved sales and also actual sales of 2020-21 because prolonged monsoon up to middle of November 2021.

Further, specific consumption of LT2(a) category for FY-22 is 78.22 units/installation/month. For this calculation, the consumption of all installations from 0 and above is considered. However, for BJK/KJ installations consuming more than 40 units / month is worked out considering the number of installations having more than 40 units/month only. If all BJK/KJ installation i.e., from 0 and above consumptions is considered, the specific consumption is 25.37 units/installation/month. The working note is as below;

Category	Installations	Sales in MUs	Specific Consumption per installation per month
LT-2a	1662939	1560.99	78.22
LT-1 BJKJ <=40 Unit/Month	156857	35.28	18.74
LT-1 BJKJ>40 Unit/Month	18084	17.99	82.90
With combined BJKJ<=40+BJKJ>40	174941	53.27	25.37

  
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The overall impact of revenue on account of SIS & DERS is Rs.13.58 Crs. and Rs.96.75/- lakhs respectively. However, in the ERC the proposed tariff for HT-2a consumers itself is Rs.6. Hence, the incentive scheme proposed for withdrawal on account of the above reasons may kindly be considered.

**2. Sales to IP sets for FY22:**

**a. (reply to the observation No. 2-a & 2-c) Reason for decrease in IP sales during FY 22 as Compared to IP sales approved in APR for FY 21 and as Compared to IP Sales (ARR of FY 22) approved in tariff order FY 22:**

It is submitted to the Commission that, the prolonged monsoon up to middle of November 2021 has contributed to the decrease in the specific consumption of IP Set and sales for FY22. Moreover, the increasing & decreasing trend of sales in every alternate year also may kindly be observed. Hence it is kindly submitted that the actual consumption depends upon the consumption behavior of the consumers/climate.

b. The observation made in Sl. No 2(b) by the Hob'le Commission has been noted.


**c. (Observation No. 2-d) Reason for different number of pilot DTCs considered for assessing IP consumption for different months in MESCOM area:**

It is submitted that, the differences in number of pilot DTCs considered for assessing IP consumption for different months is due to recognition of meter faults for different reasons during the reading date.

d. GPS survey as on 31.03.2021 and 31.03.2022 by reconciling survey data with the number of installations as per DCB is enclosed as **ANNEXURE-1** and **ANNEXRE -2** respectively.

**e. Status of bifurcation of agricultural feeders in MESCOM and the action plan for completing the work:**

In MESCOM 365 feasible feeders were having more than 30% IP loads in Shivamogga and Chikkamagaluru Districts, out of which segregation works were carried out in 286 feeders under DDUGJY by creating 124 NEW feeders for Non-

  
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agriculture loads. At present, these 286 feeders are dedicated agriculture feeders/exclusively IP feeders.

Further, load segregation works in balance 79 feeders in Chikkamagluru and Shivamogga Districts are pending, which have been proposed under RDSS scheme. With this MESCOM will cover all the feeders for bifurcated as on date.


f. The **IP assessed consumption** for FY22 is submitted in the following format;

Particulars	FY-18		FY-19		FY-20		FY-21		FY-22	
	April 2017 to Sept 2017	Oct 2017 to Mar 2018	April 2018 to Sept 2018	Oct 2018 to Mar 2019	April 2019 to Sept 2020	Oct 2020 to Mar 2020	April 2020 to Sept 2020	Oct 2020 to Mar 2021	April 2021 to Sept 2021	Oct 2021 to Mar 2022
LT4a-Installations (Nos)	299120	306053	314576	326187	337140	344482	352138	361885	371129	378493
Midyear Installations (Nos)	306582		316120		335335		353184		370189	
LT4a-sales(MU)	786.33	875.31	661.69	969.2	964.75	764.17	893.98	791.28	740.41	751.60
Specific consumption in units/IP/annum	5420		5159		5156		4772		4030	

### 3. Category-wise sales (Other than IP sets) for FY24:

#### i. Observation on Methodology of projection of energy & Installations :

- As the Commission has rightly observed, MESCOM has adopted trend method for estimating number of installations and CAGR to estimate the energy. However, it is observed that, there is reasonable growth in number of installations by adopting trend method. Therefore the Hobble Commission is requested kindly to consider the same projected number of installations.
- Working Sheet for computation of installations indicating category wise growth rates is furnished as **ANNEXURE-3**.

  
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ii. It is to submit that, In case of LT-2b, LT-4c, HT-2b, HT-2c and HT-3 categories, even though there is increase in number of installations, the FY23 sales are retained for FY24 also for the reason that, the projected growth under these categories are found to be abnormal while applying CAGR. Hence Hon'ble Commission is requested kindly to consider the same energy as projected.

iii. MESCOM while projecting under CAGR has found the abnormal increase in number of installations as compared to FY 23. As such the projection of installations under trend method is taken for FY -24. The Hon'ble Commission is kindly requested to consider the same.

iv. It is submitted that, MESCOM has taken 3 year's CAGR for projection, but retained previous years wherever there is abnormal/sub normal result under CAGR. Further it is kindly submitted that the actual consumption depends upon the consumption behavior of the consumers. Therefore Hon'ble Commission is requested kindly to consider the projected sales as submitted.

**v. Validation of sales:**

In order to validate the sales, category wise information in the prescribed format is submitted here below;

**a. No. of Installations:**

Category	2020-21 Actuals		2021-22 Actuals		2022-23	
	As on 30th Nov 2020	As on 31th March 2021	As on 30th Nov 2021	As on 31th March 2022	As on 30th Nov 2022	As on 31th March 2023 (Estimate)
LT-2a	1616705	1626736	1648572	1662939	1690188	1697974
LT-2b	3619	3640	3654	3669	3717	3726
LT-3	224977	228224	232961	235923	241062	243694
LT-4b	162	161	145	141	143	143
LT-4c	4789	4878	5193	5224	5370	5449
LT-5	33138	33769	34736	35312	36077	36795
LT-6aws	16513	16838	17345	17551	17855	18344

  
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LT-6b SL	26026	26574	27648	28155	28991	29940
LT-6C	0	0	1	1	6	6
LT-7	17574	20572	20546	19453	20268	19453
HT-1	117	121	123	127	128	135
HT-2a	971	993	1009	1022	1040	1061
HT-2b	794	806	830	833	852	853
HT-2C	316	323	329	336	341	354
HT-3a & b	33	34	37	38	46	46
HT-4	64	67	69	69	71	74
HT-5	18	19	16	14	19	14
Sub Total (Other than BJ/KJ and IP)	1945816	1963755	1993214	2010807	2046174	2058061
LT-1 BJKJ <=40 Unit/Mon th	154885	161434	152052	156857	149171	156857
LT-1 BJKJ>40 Unit/Mon th	26738	17784	24540	18084	21939	18084
IP Sets LT- 4a	354780	361885	373571	378493	387100	395631
Sub Total (BJ/KJ and IP)	536403	541103	550163	553434	558210	570572
<b>Grand Total</b>	<b>2482219</b>	<b>2504858</b>	<b>2543377</b>	<b>2564241</b>	<b>2604384</b>	<b>2628633</b>

**b. Sales (In Mus):**

Category	2020-21 Actuals		2021-22 Actuals		2022-23	
	01.04.2020 to 30.11.2020	01.12.2020 to 31.03.2021	01.04.2021 to 30.11.2021	01.12.2021 to 31.03.2022	As on 30th Nov 2022	As on 31th March 2023 (Estimate)
LT-2a	1032.28	497.49	1065.71	495.28	1082.12	551.48
LT-2b	4.82	3.24	6.25	4.87	10.64	0.48

LT-3	217.33	132.65	245.38	136.65	294.00	92.17
LT-4b	0.55	0.34	0.33	0.32	0.28	0.36
LT-4c	5.18	3.52	3.06	3.69	2.85	3.90
LT-5	76.33	47.41	85.95	48.65	97.55	39.21
LT-6aws	95.26	49.54	100.65	50.96	104.71	57.85
LT-6b SL	42.46	24.34	46.39	23.53	43.31	26.61
LT-6c	0.00	0.00	0.00	0.00	0.02	0.01
LT-7	11.36	6.96	14.09	7.79	16.46	5.44
HT-1	66.72	34.07	71.64	36.10	72.64	38.63
HT-2a	326.62	221.38	467.99	250.24	539.60	271.11
HT-2b	85.04	55.40	105.29	61.55	139.46	27.38
HT-2c	55.78	34.03	68.79	37.82	95.67	10.94
HT-3a &b	47.57	48.02	73.63	17.15	11.02	79.76
HT-4	13.54	7.20	15.35	7.51	16.23	7.52
HT-5	1.35	0.94	1.91	0.84	1.50	1.25
Sub Total (Other than BJ/KJ and IP)	2082.20	1166.51	2372.43	1182.98	2528.08	1214
LT-1 BJKJ <=40 Unit/Mon th	23.19	11.81	23.60	11.68	22.42	12.86
LT-1 BJKJ>40 Unit/Mon th	13.51	5.41	12.91	5.08	12.24	5.75
IP Sets LT- 4a	997.77	687.48	854.53	637.48	795.94	798.45
Sub Total (BJ/KJ and IP)	1034.46	704.70	891.04	654.24	830.60	817
<b>Grand Total</b>	<b>3116.65</b>	<b>1871.21</b>	<b>3263.47</b>	<b>1837.21</b>	<b>3358.68</b>	<b>2031.14</b>

**vi. Sales to MSEZ:**

As directed by the Hob'ble Commission, the sale to MSEZ considered by MESCOM and MSEZ has been reconciled. MESCOM has taken the energy actually sold during the month instead of billed. The month wise sales details (in MU) for FY 22 are furnished below and the same is taken for subsequent years;

Bill Date	Consumption Month	Consumption in MU	Open Access Units in MU	Non-Captive in MU	Total Consumption in MU
01.05.2021	01.04.2021	6.30	1.49	0.00	4.81
01.06.2021	01.05.2021	5.81	1.44	0.00	4.37
01.07.2021	01.06.2021	4.73	1.44	0.00	3.29
01.08.2021	01.07.2021	5.35	1.74	0.00	3.61
01.09.2021	01.08.2021	7.08	2.07	0.00	5.01
01.10.2021	01.09.2021	7.71	0.00	0.00	7.71
01.11.2021	01.10.2021	8.40	1.81	0.00	6.59
01.12.2021	01.11.2021	7.76	1.85	0.00	5.90
01.01.2022	01.12.2021	8.28	2.19	0.00	6.09
01.02.2022	01.01.2022	8.42	2.13	0.00	6.29
01.03.2022	01.02.2022	7.72	1.65	0.00	6.07
01.04.2022	01.03.2022	9.49	1.26	0.00	8.23
<b>Total</b>		<b>87.04</b>	<b>19.06</b>	<b>0.00</b>	<b>67.97</b>

The same energy is taken for projection purpose.

**4. Projected Sales to IP sets for FY24:**

- i. MESCOM is submitting that, it has considered trend method as appropriate for projecting the number of installations for FY24. The details of calculations involved in the said method is submitted as below;

N	n	No. of installations					TREND METHOD [Considered for projection]				
		FY18	FY19	FY20	FY21	FY22	FY-23	FY-24	FY-23	FY-24	
LT-4a	3,06,053	3,26,187	3,44,482	3,61,885	3,78,493	3,95,631	4,12,416				
LT-4b	180	162	165	161	141	141	141				
LT-4C(i)	3,963	4,311	4,713	4,878	5,224	5,449	5,755				

ii. As there is increasing and decreasing trend in IP set sale, CAGR, specific consumption based data are analyzed and the energy is projected. The step wise details of arrival of sales to IP sets for FY24 is enumerated below;


- a) No. of Installations of IP set is initially arrived by trend method;
- b) Actual sales of IP set installations relating to FY 22 is considered as base;
- c) The above sales is divided by No. of Installations of IP set existing in FY 22 plus average of growth of installation during FY 22 and arrived specific consumption per IP set;
- d) The specific consumption per IP set so arrived is multiplied with the number of Installation to arrive the total projection.

iii. Month wise consumption details of the IP set in the jurisdiction of MESCOM from April - 22 to September -22 is submitted in **ANNEXURE-4 (A) to ANNEXURE-4 (G)** for kind information of the Hon'ble Commission.

#### 5. Distribution Losses for FY22:

1. As desired by the Hon'ble Commission, the initiatives taken in MESCOM for reducing Distribution losses and to improve quality of Power Supply are submitted below;

- Establishment of new sub stations, Additional /Enhancements of power transformers in the existing sub-stations
- Addition of new Distribution Transformers to the System at low voltage pockets
- Re-conductoring of HT/LT lines, Bifurcation of feeders, Construction of link lines to bifurcate the over loaded/lengthy feeders.
- Replacement of Electro-mechanic meters by Static meters.
- Replacement of Faulty Meters
- Replacement of overhead lines by UG cables in City Corporation Areas.
- Reactive Power Compensation
- Periodical Maintenance of Distribution Network and DTCs.
- Technical Audit and Quality Control of materials/works
- Periodical rating of HT/LT installations.
- Carrying out vigilance activities to curb theft of electricity.

  
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Progress of various works including system strengthening works for the past 2 years is as shown below:

Year	New DTCs added	33kV lines in kms added	11kV UG cable in kms added	HT lines added in RKMs	HT lines reconductoring in RKMs	LT lines added in RKMs	LT lines reconductoring in RKMs	Fee ders added in nos	33 kv station augmentation/ addition in MVA	New Stations (No.)
2020-21	6958	2.36	67.1	3296.8	415.34	2419.8	1591.58	110	50 MVA	110 kV- 3 Nos 220kV -1 NOS
2021-22	6741	75.05	75.63	2340.26	495.32	2146.46	2077.70	96	95 MVA	110kV-4 Nos 33kv-6 Nos

2. In MESCOM City/Town Audit is being carried out regularly. The energy losses of all city/towns are below 10% during FY 22. City/Town Energy Audit reports for the Year FY 22 are enclosed for kind reference in **ANNEXURE-5 (A) to ANNEXURE -5(L)**.

#### 6. Distribution Loss for FY 24:

MESCOM's distribution loss for **FY 22 is 9.02%** which is comparatively lower. Given the situation that, due to servicing of the LT installations LT network is being expanded which is contributing to increased distribution loss. Majority of the CAPEX utilized for system improvement works are to maintain the distribution loss to the existing loss level rather than reducing the same since the increase in LT network is in fact nullifying the loss reduced due to improvement works. In spite of that, efforts are being made to expand the HT network and reduce the LT network wherever possible so that the distribution losses are reduced further.

Hence, the Hon'ble Commission is requested consider same loss level targets as proposed in the petition.

#### 7. Power Purchase APR for FY 22:

1) In respect of other CGS units the supplementary bills related to 2021-22 received in 2022-23 are considered for FY 22 itself. Monthly energy charges are based on the parameters and formula as per PPA/CERC norms. MESCOM separates the inadvertent costs and arrives at exclusive variable costs. Other costs like revisions related to previous years are accounted under other charges.

  
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KPCL had entrusted reconciliation of billing issues to M/s. Ramraj & Co., Chartered Accountant. The Chartered Accountant had issued Part- I of reconciliation vide Itr No. RAMRAJ/KPCL/2020-21/22.2.2022.

The audit fir is yet to furnish detailed monthly bill calculation. In this regard meeting was conducted on 07.07.2022 to discuss the billing procedure.

SLDC being the grid operator maintain and observe the grid security, energy requirement and based on Merit Order Dispatch energy is purchased.

Taking units for generation is being decided by SLDC and its cost optimization is being carried out State as a whole.


2) As per CERC order GST charges are reimbursed in respect of bundled power generators and revision of coal charges for the period from Jan-18 to March-21 as per CERC order are included in the variable charges, hence there is increase in per unit cost in respect of bundled power.

Therefore MESCOM has purchased 1.64 MU of energy from Mani Dam Power house for the year 2021-22 at the rate of Rs1.28/unit amounting to Rs.21.00 lakhs.

3) MESCOM has executed PPA with KPCL Hydro Power station dtd: 24.05.2010 with the following stations:

- a) Sharavathy Valley Project (Sharavathy generating Station, Linganmakke Dam Power House)
- b) Kali Valley Project ( Nagihari Power House , Supa Dam Power House)
- c) Varahi Valley Project ( Varahi Undeground Power House, Mani Dam Power House, )
- d) Kadra Power House
- e) Kodasali Power House
- f) Gerusoppa Power House
- g) Ghataprabha Power House
- h) Bhadra Power House

In Tariff order 2021 dated 09.06.2022 in Annexure 2 (II) D- KPCL Hydro station Sl. No. 5 Varahi valley project VVP, approved % of energy allowed is 8.1553%, energy approved is 85.74 MU, Cost per unit is Rs.1.70/unit. Mani dam power house is included in this approval.

  
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Mani dam power house is included in Varahi Valley Project Gok vide share allocation order no.Energy120 PSR 2021 Bengaluru dtd: 25.3.2021 allocated 8.1553% for Varahi Valley Project (4\*115+2\*4.5), the same is considered and adopted in MESCOM for payment to Mani Dam Power House energy bills.

4) The term of the PPA of the co-generation units expired on 31.3.2021. Co-generators had filed Writ Petition before Hon'ble High Court of Karnataka requesting extension of PPA term for 5 years from the date of PPA. Hon'ble High Court in order dtd: 20.07.2021 directed to honour the term of the PPA for 5 years from the date of signing of PPA. GOK letter no. Energy 39 PPT 2020 dated 04.06.2021, 06.07.2021 and 28.01.2022 directed to consider the share allocation of 2020-21 and the existing rate as per KERC order dtd: 11.4.2017. Accordingly MESCOM has released the payment. W.P. No. 6043/2021 filed by M/s. Chamudheshwari Sugar Ltd, KPR Sugar Mills Ltd, Indian Cane Power Ltd, NSL Sugars Ltd, Nirani Sugar Ltd.

5) Hon'ble KERC has accorded approval on 14.8.2020 for executing supplemental Wheeling & Banking Agreement. As such Amended Wheeling and Banking agreement was executed on 15.1.2021. Hence the Banked energy charges for the period from 2016-17 to 2020-21 in respect of NMPT was released on 23.12.2021. MESCOM has considered 85 % of the generic tariff determined by Hon'ble KERC for the relevant year for calculation of energy charges.

Year	Energy	Generic Tariff rate/unit	85% of generic tariff/unit
2016-17	1397322	6.51	5.53
2017-18	781670	4.36	3.71
2018-19	743980	3.05	2.59
2019-20	396029	3.08	2.62
2021-22	566021	3.08	2.62
2021-22	149782	3.10	2.64

Due the above reasons, payment for the period from 2016-17 to 2020-21 was settled in the year 2021-22 and accounted in the year 2021-22. Since the entire energy for the above period was not accounted 2021-22 but payment for the entire energy was released in 2021-22 the rate per unit works out to Rs74.67/unit.

But if the total energy of the period from 2016-17 to 2020-21 is also considered, the cost per unit works out to Rs. 2.78/unit.

6) SLDC being the grid operator will manage the deviation depending on the projections and frequency. SLDC is managing the DSM of the State as a whole, individual ESCOMs prorated energy and its cost is not considered.



7) CERC (sharing of Inter-state transmission charges and losses) Regulations 2020 came into force with effect from 1.11.2020. The transmission charges are computed separately for both LTA/MTOA and STOA.

For LTA/MTOA billing in Rupees these rates are calculated only for withdrawal entities (withdrawal rates) and for generators having LTA to target reason without identified beneficiaries. For STOA billing in Paise/kWh, these rates are calculated for all states.

Billing is done on the actual energy transmitted. Due to change in billing procedure the transmission charges in respect of PGCIL has reduced. The actual transmission charges paid is considered in D-1 format.

8) **(Reply for Q. No. 8 & 9):** MESCOM has included MAT payment, reactive charges, SCED money, IEX distribution fees, RRAS refund, Open Access charges of HPSEBL in other charges.

The revision in capacity charges related to previous year of YTPS as per KERC Truing up order (Rs.-13.20Crs.) is included in other charges.

The payment of Incentives, compensation charges for partial loading, FERV, SRLDC charges, Energy Adj.charges, Deferred tax liability, RRAS adjustment, CERC filing fees, and as per truing up order for the tariff period 2014-19 revision of capacity and energy charges are accounted under other charges in respect of CGS units (Rs.9.17 Crs).

Payment of partial loading charges, Tax on auxiliary consumption, provision for LPS on infirm energy as per APTEL order are accounted under other charges in respect of UPCL (Rs.11.14 Crs.)

9) The transmission charges in respect of KPTCL, PGCIL, VVNL, Tangedco are included under Transmission charges in D-1 format, and only SLDC charges are included under SLDC charges in the D-1 format. But in Accounts VVNL and Tangedco (Rs.1.01 crores) charges are included under energy charges and Reactive charges (Rs.-1.065 Crs) are included in SLDC charges.

10) Source wise power purchase and amount details are annexed vide **ANNEXURE-6**

## 8. Power Purchase- ARR for FY24:

1. **Reasons for the difference in the projected cost for the FY 2023-24 with respect to approved power purchase cost in MYT for the FY 2023-24:**

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There is a difference in percentage of allocation consider in MYT approved cost and the present proposed cost for FY 2023-24.As the policy of the Government to continue the uniform tariff for the FY 2023-24, the energy available from the conventional energy source has been allocated among the ESCOMs in following ration, which is tabulated as detailed below (except Renewable source)

SI no	Source	Energy allocation in %							
		BESCOM	GESCOM	HESCOM	MESCOM	CESC	Total		
A	KPCL-Hydel								
1	Sharavathy valley projects	18.0000	10.0000	43.0000	13.0000	16.0000	100.0000		
2	Kali Valley projects	8.2400	10.0000	39.3300	11.4300	31.0000	100.0000		
3	Varahi 1 &2	19.0000	10.0000	47.1700	11.4300	12.4000	100.0000		
4	Varahi 3&4	19.0000	10.0000	47.1700	11.4300	12.4000	100.0000		
5	Bhadra & Bhadra Right Bank	19.0000	10.0000	47.1700	11.4300	12.4000	100.0000		
6	Ghataprabha(GDPH)	19.0000	10.0000	47.1700	11.4300	12.4000	100.0000		
7	Mallapur & Others								
8	Kadra Dam	19.0000	10.0000	47.1700	11.4300	12.4000	100.0000		
9	Kodasalli Dam	19.0000	10.0000	47.1700	11.4300	12.4000	100.0000		
10	Gerusoppa/STRP	19.0000	10.0000	47.1700	11.4300	12.4000	100.0000		
11	Almatfi	19.0000	10.0000	47.1700	11.4300	12.4000	100.0000		
12	Shiva	19.0000	10.0000	47.1700	11.4300	12.4000	100.0000		
13	Munirabad	19.0000	10.0000	47.1700	11.4300	12.4000	100.0000		
14	MGHE-Jog	19.0000	10.0000	47.1700	11.4300	12.4000	100.0000		
II	KPCL-Thermal								
1	RTPS -1 & 7	63.9000	13.9300	5.7200	7.3000	9.1500	100.0000		
2	RTPS 8	63.9000	13.9300	5.7200	7.3000	9.1500	100.0000		
	BTPS								
3	Unit I	63.9000	13.9300	5.7200	7.3000	9.1500	100.0000		
4	Unit II	63.9000	13.9300	5.7200	7.3000	9.1500	100.0000		
5	Unit III	63.9000	13.9300	5.7200	7.3000	9.1500	100.0000		
6	Yermarus TPS - 1 & 2	63.9000	13.9300	5.7200	7.3000	9.1500	100.0000		
B	Central Projects								
1	N.T.P.C-RSTP-I&II	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000		
2	NTPC-III	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000		
3	NTPC-Talcher	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000		
4	NLC TPS2-Stage 1	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000		
5	NLC TPS2-Stage 2	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000		
6	NLC TPS1-Expn	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000		
7	NLC II expansion I	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000		
8	New NLC Thermal Power project	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000		
9	MAPS	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000		
10	Kaiga Unit 1&2	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000		

  
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11	Kaiga Unit 3 & 4	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000
12	Simhadri Unit -1 & 2	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000
13	Vallur TPS Stage I & 2 & 3	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000
14	NLC II expansion -2	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000
15	KudamKulam	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000
16	Kudgi Unit 1,2 & 3	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000
17	Damodhar valley Corporation- Meja thermal Power Station	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000
18	Damodhar valley Corporation- Kodemma thermal Power Station	51.4300	12.2200	18.3200	7.9300	10.1000	100.0000
C	IPPs-Major						
1	M/s UPCL	57.2000	14.0000	7.3000	8.5000	13.0000	100.0000
D	Bundled power						
1	NTPC Bundled power Coal	46.6500	14.8600	19.0800	7.9100	11.5000	100.0000
2	NTPC Bundled Power Solar	46.6500	14.8600	19.0800	7.9100	11.5000	100.0000
3	NSM Bundled Power Solar	46.3900	15.1200	19.0000	7.8900	11.6000	100.0000
F	Others						
1	TB Dam	33.4300	12.2200	21.3300	18.9200	14.1000	100.0000
2	Jurala	33.4300	12.2200	21.3300	18.9200	14.1000	100.0000

#### Increased variable cost of the thermal projects:

The variable cost of the thermal projects has been increased due to blending of imported coal with domestic coal. There is huge variation in the approved cost and the actual variable cost considering for the period April -2022 to Sept-2022, which is as tabulated below.

A	KPCL-Thermal	Proposed VC ps/kwh	Approved cost in MYT ps/kwh	Difference in ps/kwh
1	RTPS -1 & 7	455.00	294.00	161.00
2	RTPS 8	454.98	293.00	161.98
	BTPS			
3	Unit I	603.08	298.00	305.08
4	Unit II	421.58	294.00	127.58
5	Unit III	403.53	286.00	117.53
1	Yerमारु TPS - 1 & 2	393.75	298.00	95.75
B	Central Projects			
1	N.T.P.C-RSTP-I&II	434.82	276.00	158.82
2	NTPC-III	391.17	271.00	120.17

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3	NTPC-Talcher	204.25	181.00	23.25
4	NLC TPS2-Stage 1	274.10	271.00	3.10
5	NLC TPS2-Stage 2	274.10	271.00	3.10
6	NLC TPS1-Expn	244.23	246.00	-1.77
7	NLC II expansion(2X500MW)	260.37	260.00	0.37
8	New NLC Thermal Power project	220.98	223.00	-2.02
9	MAPS	259.42	262.00	-2.58
10	Kaiga Unit 1 &2	349.02	353.00	-3.98
11	Kaiga Unit 3 &4	349.02	353.00	-3.98
12	Simhadri Unit -1 &2	428.72	302.00	126.72
13	Vallur TPS Stage 1 &2 &3	390.75	332.00	58.75
14	NITPL	413.47	321.00	92.47
15	KudamKulam Unit-1	417.10	417.00	0.10
16	KudamKulam Unit-2	417.10	417.00	0.10
17	Kudgi Units 1, 2 and 3	575.55	362.00	213.55
18	Damodhar valley Corporation- Meja thermal Power Station	384.07	300.00	84.07
19	Damodhar valley Corporation- Kodemma thermal Power Station	401.37	274.00	127.37
<b>C</b>	<b>IPPs-Major</b>			
1	UPCL	1087.90	437.00	650.90

Therefore, the cost per unit approved by Commission in the MYT Tariff Rs 4.42 per unit has been increased to Rs 5.66 per unit.

**2. Availability of energy projected from different sources for FY 2024 considering the following factors;**

- i) The energy availability from KPCL stations including RPCL as per the details furnished by Generating Stations in its letters dated 15.11.2022.
- ii) SRPC in its email dated 16.11.2022 has furnished energy availability from CGS stations viz., NTPC, NLC, Nuclear Power Corporation as per LGBR of the year 2023-24.
- iii) 85% of the installed capacity has been considered for UPCL project.
- iv) Actual energy supplied for the FY 2021-22 has been considered for 2023-24 in respect Renewable Energy Sources

  
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- v) Solar projects selected through bidding route for which cumulative utilization factor as per the PPA is considered.
- vi) The actual energy drawal from Jurala Priyadarshini and TBHE for the year 2021-22 has been considered for the year 2023-24

The details of the energy available from different sources for the FY 2023-24 is as below;

Generating Stations	Energy in Mus	Source
KPCL Hydro	<b>12203.73</b>	KPCL
<b>KPCL Thermal:</b>		
RTPS -1 & 7	8827.85	KPCL
RTPS 8	1554.37	KPCL
BTPS		
Unit I	3051.84	KPCL
Unit II	2899.06	KPCL
Unit III	4873.50	KPCL
Yermarus TPS - 1 & 2	10905.24	KPCL
CGS	18279.16	LGBR of SRPC for 2023-24
Kudigi	9363.68	LGBR of SRPC for 2023-2024
DVC	3048.25	DVC
UPCL	7482.78	90% of 85% installed capacity
NCE Projects	19929.29	Actuals of ESCOMs for the FY 2021-22
TBHE & Jurala projects	207.28	Actuals of 21-22
<b>Total</b>	<b>102626.04</b>	

**3. Reason for including the power purchase liability of Rs. 212.50 Crores**

- a) M/s AMR Power Pvt Ltd Bangalore has filed an appeal before ATE New Delhi **(DFR No. 215 of 2021 & A Nos 888, 890 & 891 of 2021)** and sought to set aside the order of the Hon'ble KERC dated 23.03.2021 in OP 192/2017 and to allow the petition in full and to direct the respondent No1 (MESCOM) to pay a sum of Rs 190.70 Crs and interest @ 14.5% form 22.07.2011.( Prayer page of the appeal is enclosed as **ANNEXURE- 7** for kind information of the Commission). Hence the same is included in the power purchase liability.

- b) RS 22.43 crore being the late payment surcharge on infirm power bills as per Hon'ble Supreme Court Order dated 08.02.2022 on Civil appeal filed by M/s

  
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PCKL & ESCOMs against APTEL order dated 02.11.2020 & CERC order dated 08.11.2019. (PCKL Ltr No3737-47/29.08.2022 is enclosed as **ANNEXURE-8** for kind information of the Commission). Hence the same is included in the power purchase liability.

4. The energy required by the State for the FY 2023-24 is 74641.50, which is available from the different sources. The scheduling of energy is mainly depending upon the merit order dispatch of the thermal stations. During such period, the deficit energy/surplus energy could be availed from the Energy from the other ESCOMs.

**5. BTPS Unit-3:**

The tariff rates worked out by KPCL in its letter dated 15.11.2022 based on various parameters is considered in respect of BTPS Unit-3.

(Amount in Rs. Crs.)

Particulars	BTPS Unit-3
Finance Charges	283.74
Returns	184.78
Depreciation	224.39
O&M expenses	162.82
Interest on working capital	87.02
<b>Total</b>	<b>942.75</b>

The average variable cost for the months of April 2022 to September 2022 is considered for the FY 2023-24.

(Rs./kwh)

Month	BTPS Unit-3
Apr-22	3.67
May-22	3.83
Jun-22	4.13
Jul-22	4.35
Aug-22	4.36
Sep-22	3.87
Total	24.21
Average	4.04

  
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6. ( Reply to Q. No- 8(6) & 8 (7)): Actual energy supplied for the FY 2021-22 has been considered for 2023-24 in respect Renewable Energy Sources. The quantum of energy proposed to procure from the RE sources for FY 2023-24 is as below:

(Energy in Mus)	
Existing NCE Projects	MESCOM
Co-generation	0.00
Biomass	0.00
Mini Hydel	415.67
Wind mill	251.18
KPCL wind mill	0.00
Solar	727.27
Solar rooftop	0.00
KPCL Solar	0.00
NTPC Bundled power Coal	40.01
NTPC Bundled Power Solar-Sr region	9.53
Captive/Banking energy	0.00
NTPC Bundled Power Solar, Pavagada	108.94
<b>Total</b>	<b>1552.60</b>
<b>New NCE Projects</b>	
<b>Co-generation</b>	0.00
Biomass	0.00
Mini Hydel	0.00
Wind mill	0.00
Solar Power -60 MW power likely to be commissioned during the year	0.00
Farmer 1 to 3	
Solar Power Under VGF Scheme	
Solar Power Under Talukwise scheme	0.00
<b>Total D2</b>	<b>0.00</b>
<b>Total of D1 &amp; D2</b>	<b>1552.60</b>

## 8. Observations on Capex:

### 1. Capex for FY22:

As directed by the Commission, the CAPEX incurred under each sub-head of account code-14 series for FY22 in **ANNEXURE-9** duly agreeing with figures of audited accounts along with **Format-1** is enclosed.



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Further, the following details are also submitted as directed by the Hon'ble Commission in the form of Annexures as below:

a. Abstract of physical and financial progress in respect of additional transformers, link lines, HT/LT re-conductoring, HVDS and UG/AB cable etc., for having incurred CAPEX of Rs.110.26 Crores towards E&I works is submitted in **ANNEXURE-10**.

b. **Division-wise abstract of capacity - wise replacement of faulty transformers by new transformers with reasons for incurring an amount of Rs.2.17 Crores:**

With effect from September 2018 Company has changed accounting policy wherein the faulty transformers released in the field are not being withdrawn from assets accounts in the books of accounts. The Asset value along with applicable accumulated depreciation will be withdrawn only if the assets are scrapped. Therefore when repaired good transformers are utilized in the field for replacement of faulty transformers, no assets are created again.

Instructions were issued to the field officers to draw only released/ repaired good transformers for replacement works. However good transformers are being used by the Company for replacement of scrapped transformers and for enhancement.

The amount of Rs.1.89 Crs as given in the observation also includes the value of transformers used for enhancement works. Divisions wise abstract of capacity-wise replacement of faulty transformers by new transformers is enclosed vide **ANNEXURE-11**.

c. **Details w.r.t. Model sub-division works and source of funding for CAPEX incurred Rs 35.20 Crs. are submitted below :**

i. **Model Sub-division works in Attavara sub-division of Mangaluru division-1 of Mangaluru Circle, MESCOM:**

The work of Conversion of Overhead system by UG cables with conversion of LT Overhead lines by LT UG cables, providing RMUs, providing Spun poles to the existing DTCs and other works on Total Turnkey in the following 9 nos. of 11kV feeders in Attavara sub-division of Mangaluru division-1 of Mangaluru Circle was award to M/s. Asain Fab Tech Ltd., Bengaluru on 18-07-2018 for the total award cost of Rs. 90,91,14,700/- and the work is physically completed and are in commissioning stage.



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Sl. No.	Name of the 11kV feeders	Estimated cost (In Rs.)	Conversion of 11kV lines in kms	Conversion of LT lines in Kms	Total no. of consumers benefited in Nos.
1	South warf	9,54,28,700/-	6.492	9.14	1,150
2	Muttappa	12,73,06,000/-	12.724	12.894	2,300
3	Pandeshwara	10,61,21,000/-	9.895	9.692	1,780
4	BEM, MPT, Gokarnanatha	20,96,84,000/-	22.667	30.485	4,319
5	Cart street	13,49,81,000/-	9.305	10.271	2,449
6	Market	5,80,68,000/-	4.915	4.10	2,071
7	VishwabHAVAN	4,09,81,000/-	4.305	2.30	746
8	Vivek & Ansari	4,92,47,000/-	5.431	4.79	2,152
9	Pragathi & Dongarakeri	8,72,98,000/-	8.746	4.27	865
	<b>Total</b>	<b>90,91,14,700/-</b>	<b>84.48</b>	<b>87.945</b>	<b>17,832</b>

ii. **Model Sub-division works in CSD-1 sub division of Shivamogga division, Shivamogga Circle, MESCOM:**

The work of Conversion of Overhead system by UG cables in 11kV AF-10, TCF-2 & TCF-9 feeders with conversion of LT Overhead lines by LT UG cables, providing RMUs, providing Spun poles to the existing DTCs and other works on Total Turnkey in CSD-1 sub division of Shivamogga division, Shivamogga Circle was award to M/s. Larsen & Toubro Ltd., Chennai on 18-07-2018 for the total award cost of Rs. 46,45,29,006/- and the work is completed in all aspects on 10-07-2022.

The work in respect of Conversion of Overhead system by UG cables in 11kV MRS F-2 & MRS F-4 feeders was awarded to M/s. Aravinda Elctricals, Bangalore on 30-06-2021 for the total award cost of Rs. 17,41,50,881/- and the work has been physically completed. The Details of the works are as below:

Sl. No.	Name of the 11kV feeders	Estimated cost (In Rs.)	Conversion of 11kV lines in kms	Conversion of LT lines in Kms	Total no. of consumers benefited in Nos.
1	AF-10	20,08,97,402/-	25.14	39.16	5,160
2	TCF-9	7,44,52,137/-	11.59	7.68	3,948
3	TCF-2	18,91,79,467/-	29.38	23.04	1,073
4	MRS F2 & F4	17,41,50,881/-	25.30	40.41	8,230
	<b>Total</b>	<b>63,86,79,887/-</b>	<b>91.41</b>	<b>110.29</b>	<b>18,411</b>



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**Source of Funding:**

Model Sub-division works are taken up by investing Company's own funds. 70% of the investment will be incurred by obtaining long term loans from financial institutions and balance 30% will be met out of internal resources.

d. List of works carried out under 33KV Station and Line works for having incurred amount of Rs.22.85 Crores is provided in **ANNEXURE-12**.

e. Division-wise abstract of number of IP sets energized and cost thereon, under GK scheme and general scheme for having incurred capex of Rs.106.27 Crores in sl.no 6(b) and Rs.17.10 Crores in sl.no B(5) of the table indicated in para 4.5 is provided in **ANNEXURE-13**.

f. The Commission observation that, in its Tariff Order dated 4<sup>th</sup> April 2022 had disallowed the expenses towards depreciation and interest pertaining to 7 no's of imprudent works of FY19 and FY20. The present status of each of the works are submitted in **ANNEXURE-14**

iii. **Capex Plan for FY24:**


Observation and information of the Hon'ble Commission is Noted.

**9. Expenses claimed under APR for FY22:**

1) **Details for MESCOM, claiming Rs.44.09 Crores as "Exceptional Items" as per the Annual Accounts for FY22:**

Hitherto MESCOM was providing for payment of Minimum Alternate Tax (MAT) under section 115 JB of the Income Tax Act 1961 and also MAT Credit entitlement has been recognized in the books of the Company to the extent available for future setoff. Accordingly Company has not claimed any tax expenses in its books. From current year 2021-22, Company has opted the Income Tax new regime as per section 115BAA of Income Tax Act. Provision for income tax for current year is not provided since Company has suffered loss as per the provision of Income Tax Act. Similarly MAT credit entitlement held in the books of the Company at the end of 31.03.2021 amounting to Rs. 44.09 Crs is withdrawn from the books of the Company and shown under exceptional items of the accounts.

2) **Details for Rs.9.43 Crores indicated in D-11 as "Miscellaneous Losses and Write-offs:**

  
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Details for other expenses of Rs. 9.43 claimed as per Format D-11 are as shown below. However this figure is revised consequent to AG audit to Rs 8.04 Crs for which details are also furnished against each item.

Rs. In Crs

Sl. No.	Particulars	Before Audit	AG After Audit	AG
1	Asset Decommissioning Costs	161.15		161.15
2	Losses relating to Fixed Assets/sale of scraped assets	404.93		404.93
3	Provision for bad and doubtful debts	285.53		146.40
4	Compensation for injuries, death and damages- staff & outsiders	91.36		91.36
	<b>Total</b>	<b>942.97</b>		<b>803.84</b>

- 3) As directed by the Commission, the revised D-15 format indicating the opening & closing balances, additions, retirement of assets created out of Consumer Contribution & Grants, for the years FY22, to FY24 is submitted in **ANNEXURE- 15**.
- 4) Audited Annual Accounts along with Directors Report for FY22 is enclosed hereby for kind information and consideration of the same for APR of FY 2022.

#### 10. Revenue/ Expenses claimed under ARR for FY24:

- 1) It is kindly submitted before the Hon'ble Commission that, since the pay revision is due, MESCOM has claimed the additional employee cost of Rs.234.12 Crores stating to be the impact of revision of pay scales w.e.f. 01.04.2022.
- 2) In A-1 Format, MESCOM has claimed Rs.212.50 Crores as "Other Power Purchase Liabilities" for FY24. The details are as below;
- a) M/s AMR Power Pvt Ltd Bangalore has filed an appeal before ATE New Delhi **(DFR No. 215 of 2021 & A Nos 888, 890 & 891 of 2021)** and sought to set aside the order of the Hon'ble KERC dated 23.03.2021 in OP 192/2017 and to allow the petition in full and to direct the respondent No1 (MESCOM) to pay a sum of Rs 190.70 Crs and interest @ 14.5% from 22.07.2011.( Prayer page of the appeal is enclosed as **ANNEXURE- 7** for kind information of the Commission). Hence the same is included in the power purchase liability.
- b) RS 22.43 crore being the late payment surcharge on infirm power bills as per Hon'ble Supreme Court Order dated 08.02.2022 on Civil appeal filed by M/s PCKL & ESCOMs against APTL order dated 02.11.2020 & CERC order dated

  
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08.11.2019 (PCKL Ltr No3737-47/29.08.2022 is enclosed as **ANNEXURE-8**) for kind information of the Commission. Hence the same is included in the power purchase liability. This amount has been accounted for in annual Accounts.

- 3) MESCOM has proposed for withdrawal of Solar Rebate for LI-2a consumers. Its approximate impact is assessed and furnished below;


Number of consumers availing Solar Rebate	123416
Solar Rebate per year in Rs	Rs.6,63,65,172/-

It is further submitted that, withdrawal of solar rebate is proposed not only for the reason of expenditure involved but it also due to the practical difficulties involved in ascertaining whether the installed solar water heaters are working in good condition from time to time by visiting consumer premises/ inside the house of the consumer.

- 4) MESCOM has proposed increase in fixed / demand charges for both LI and HT categories. Position of fixed / demand charges in FY22 (Actual), FY24 (with the current tariff) and FY24 (with the proposed tariff) are submitted below in the format prescribed:

Year	Fixed Cost component in the ARR Rs.in Crores.	Portion of fixed / demand charges in the total revenue Rs.in Crores (w/r to D-21 Format)	% of fixed cost in the tariff
FY22 (Actuals)	1548.75	608.54	39.29%
FY24 (as per current tariff)	2863.28	739.19	25.82 %
FY24 (with the proposed tariff)	2863.28	1132.83	39.56%

- 5) As per GOK order No. EN 55 PSR 2008 dated 04.09.2008, Government is providing free electricity supply to IP consumers who are having IP set connections up to 10 HP. Hon'ble Commission is determining the tariff for the category duly considering the cross subsidization from other categories. MESCOM has applied the same analogy for arriving at the tariff charges for this category.
- 6) The basis for claim of Rs.22.43 Crores towards interest on infirm power of UPCL for FY24 is submitted above in 2(b).

  
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7) Category-wise, sub category-wise contract / sanctioned load and details of slab-wise consumption of all the category of consumers existing as on 31.10.2022 is submitted in **ANNEXURE-16.**

### **11. RPO Compliance:**

The Power Purchase from SRTPV is included in the D-1 statement of the tariff petition. However, the details of the split up of source wise solar energy procurement are shown below to ascertain the Compliance of RPO;

<b>Particulars</b>	<b>Solar Energy In MU</b>
From PPA Sources	823.96
From SRTPV	8.21
<b>Sub Total</b>	<b>832.17</b>
Less: GTAM Sales	(75.25)
<b>Net Solar Energy as in D-1 statement</b>	<b>756.92</b>
Less: Green Energy	16.15
<b>RPO Units</b>	<b>740.77</b>
Energy excluding Hydro & others	4133.29
% of RPO	17.92

### **12. Wheeling Charges for FY 24:**


Information of the Commission is noted thankfully.

### **13. Cross Subsidy Surcharge:**

It is for kind information of the Commission that, Category-wise and Voltage class wise calculations for the cross subsidy surcharge is already submitted as annexures (in Page 206) and Form 23-a (in Page 300-303) while in Tariff petition. However the detailed working sheets are enclosed for ready reference in **ANNEXURE-17(A)** to **ANNEXURE-17(C)**.

### **14. Additional Surcharge:**

The additional surcharge is proposed by MESCOM in the same methodology as approved by the Hon'ble Commission in earlier tariff orders. Accordingly, requested the Hon'ble Commission to take its view.

  
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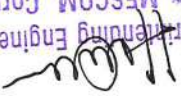


15. Preliminary observations on Directives of MESCOM:


Directive No	Directives Issued by the Commission	Observation made	MESCOM Reply
4	Directive on implementation of standards of Performance (SOP)	<p>The MESCOM was directed to carry out effective supervision over the functioning of field offices particularly in rendering of services to the consumers, relating to restoration of supply of electricity and to submit the details of number of violations of SOP by officers, sub-division wise, month wise, amount of penalty levied on the officers and the amount paid to the consumers for any delay in service and orientation programme conducted in any delay in service. MESCOM shall furnish the same..</p> <p>MESCOM was directed to conduct awareness campaign at the Hobli levels for educating the public about the Standards of Performance prescribed by the Commission. MESCOM was required to conduct necessary orientation programme for all the field officers and the staff up to linemen to educate them on the SOP and the consequences of non – adherence to the SOP.</p>	<p>The MESCOM has taken action to display parameters in all its O&amp;M Subdivisions and O&amp;M Sections. Instructions were also communicated to the field officers to include the latest amendments in the displayed parameters. Action for the same is under progress.</p> <p>MESCOM is doing effective supervision over the functioning of field offices particularly in rendering of services to the consumers, relating to restoration of supply of electricity.</p> <p>The details of number of violations of SOP by officers, sub-division wise, month wise, amount of penalty levied on the officers and the amount paid to the consumers for any delay in service and orientation programme conducted in hobli level is as shown in <b>ANNEXURE-18</b>.</p> <p>MESCOM instructed to field officer to conduct the awareness campaigns at the Hobli levels for educating consumers. However, MESCOM has taken opportunity to distribute the "Grahakara Kaipidi" during Jansamparka Sabha and Gram Sabha etc.</p> <p>MESCOM has conducted necessary orientation programme for the field officers and the staff up to linemen to educate them on the SOP and the consequences of non – adherence to the SOP. Further, the safety meeting conducted on Monday of every week at section level is also used as a platform to create awareness about SOP to the lineman staff.</p>

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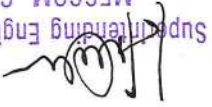
MESCOCM Reply	Observation made	Directives Issued by the Commission	Directive No
	MESCOCM has not reported anything on the conduct of awareness campaigns in the Hobli levels for educating consumers. MESCOCM shall submit the compliance.		5
<p>1591 Nos of line staffs are working in MESCOCM jurisdiction and they are provided with complete set of safety gear and no contract employees are working. Out of above said line staff 526 number of line staffs who have reported during the year (Up to Dec22) and for them procurement of safety gears is in progress which will be completed shortly.</p> <p>Suitable instructions are issued to field staff to use provided safety gear ensure proper line clear from the concerned section officers and to create safety zone before working on the Distribution network.</p>	<p>The MESCOCM has submitted that it has provided safety gear to the Power men. MESCOCM shall submit the details indicating the number of linemen, both appointed on regular basis and on contract basis, who are provided with complete set of safety gear and the definite timeline by which all the remaining linemen will be provided with the complete set of safety gear including the additional tools if any proposed to be given. Details of the action taken on erring staff also be furnished</p>	<p>Directive on use of safety gear by linemen</p>	7
<p>MESCOCM has taken action for updating the consumer data to the applications used for public information system on power system interruption etc.,</p> <p>As on 23.12.2022 out of 25.24 lakh consumers, MESCOCM has taken action to tag total 20.98 Lakhs consumers under Urja Mitra. In addition to this MESCOCM has launched "Nanna MESCOCM" mobile application where in information about power system interruptions viz., Scheduled, unscheduled and emergency</p>	<p>It is observed that MESCOCM has not taken action to update the entire consumer data on the application software used for public information system on power system interruption etc.,</p>	<p>Directive on Load shedding</p>	

  
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MESCOM Reply		Observation made	Directives Issued by the Commission	Directive No
<p>outages of area specific can be obtained by registering to this app. Scheduled Power outages in MESCOM are publishing in the website in advance by a link: <a href="https://mescom.karnataka.gov.in/page/PUBLICATIONS/Power+Outages/en">https://mescom.karnataka.gov.in/page/PUBLICATIONS/Power+Outages/en</a>. Also Unscheduled outages real time(on going outages) information's are being displaying in MESCOM website.</p>		<p>The MESCOM shall submit compliance in this regard.</p>		
<p>MESCOM has already established 24x7 centralized consumer service centers and to attend the complaints. MESCOM has already established 54 Nos of full-fledged 24x7 Service stations and 7 Nos of 12 Hrs Service stations by providing men, material and vehicle to redress the complaints.</p> <p>MESCOM Customer care centre is being regularly contacting with Service Station crew members to attend the complaint effectively as and when complaints received at customer care call centre and thereby considerably reducing the downtime.</p> <p>Further, MESCOM has acknowledged the directive to reduce the downtime in attending the consumer complaints. However, it is to be submitted that, majority of MESCOM's geographical area covers hilly and forest terrains and whenever the faults due to unforeseen/ technical occurs attending the complaints within short time may not be possible. However, the same are being attended within the time schedule prescribed in SOP. To achieve the same in MESCOM jurisdiction additional 46 and 61 number of vehicles, 585 and 606 numbers of gang men were engaged during FY 2021-22 and FY 2022-23 monsoon period respectively. Hence, it will be difficult to reduce down time year on year in a projected manner. In spite of that, MESCOM is committed to ensure uninterrupted power supply to its consumers.</p> <p>The Comparison of the downtime analysis for FY22 and FY23 (up to Sept-2022) is enclosed as ANNEXURE-19.</p>		<p>MESCOM has submitted the number of Complaints received and disposed of, for the FY 2022 and FY 2023 (up to September 2022). MESCOM was directed to reduce the consumer downtime to address the complaints. MESCOM is directed to report average time taken to attend to a complaint as at present and the efforts made to reduce the downtime further in future.</p> <p>The MESCOM shall furnish compliance in this regard. Comparison of the downtime analysis for FY21 and FY22 shall be furnished.</p>	<p>Directive on establishing a fully equipped centralized consumer service centers</p>	8

  
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<p>Directive No</p>	<p>9</p>	<p>Directives Issued by the Commission</p>	<p>Directives on Energy Audit</p>																								
<p>Observation made</p>	<p><b>Energy Audit of cities / towns</b>  MESCOM shall indicate the definite timeline by which it will complete the consumer indexing for Shivamogga and Chikkamagaluru for taking up energy auditing effectively.</p> <p><b>DTCs Energy Audit:</b>  The MESCOM has furnished 49,047 numbers of DTCs metered and 48,931 number of DTCs yet to be metered. MESCOM shall furnish remedial measures initiated to reduce losses in the DTCs and the timeline by which all the balance DTCs will be metered and audited.</p>	<p>MESCOM, 49,047 DTCs have been metered at the end of September-2022. The audit is being carried out to the DTCs with good meters. Following remedial measures has been taken to reduce the losses in DTCs.</p> <p>1) All the field staffs are directed to carry out DTC wise tagging of installations and to submit energy audit of all metered DTCs every month.</p> <p>2) All circle SEEs have been instructed to review energy audit in monthly review meeting and to analyse the data and to take necessary action in this regard.</p> <p>3) Action has been taken to replace MNR meters/faulty meters and faulty CT/PTs so as to get the accurate DTCs consumption.</p> <p>Consumer indexing is a regular process. All the field staffs are instructed to Tag the consumers to respective DTCs and Feeders. As compared to the previous year, progresses of tagging of consumers to respective DTCs in Shivamogga and Chikkamagaluru Circles have been increased and an instruction to the concerned SEs of the circle has also been given to complete the tagging activity by end of January 2023.</p> <p>Tagging details is as at the end of November-2022 is as follows:</p>	<table border="1"> <thead> <tr> <th>Circle</th> <th>Consumers existing</th> <th>Consumers tagged</th> <th>% of tagging</th> </tr> </thead> <tbody> <tr> <td>Mangaluru</td> <td>893870</td> <td>893870</td> <td>100%</td> </tr> <tr> <td>Udupi</td> <td>512144</td> <td>512144</td> <td>100%</td> </tr> <tr> <td>Shivamogga</td> <td>718591</td> <td>712871</td> <td>99.20%</td> </tr> <tr> <td>Chikkamagaluru</td> <td>479780</td> <td>419900</td> <td>87.52%</td> </tr> <tr> <td><b>Total</b></td> <td><b>2604385</b></td> <td><b>2538785</b></td> <td><b>97.48%</b></td> </tr> </tbody> </table>	Circle	Consumers existing	Consumers tagged	% of tagging	Mangaluru	893870	893870	100%	Udupi	512144	512144	100%	Shivamogga	718591	712871	99.20%	Chikkamagaluru	479780	419900	87.52%	<b>Total</b>	<b>2604385</b>	<b>2538785</b>	<b>97.48%</b>
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Directive No	Directives Issued by the Commission	Observation made	MESCOM Reply																												
10	Implementation of NJY on of NJY	MESCOM has not submitted the information of implementation of NJY feeders. MESCOM has to furnish the details of commissioning of the segregated agricultural feeders and the action taken to assess the consumption of IP set installations based on the consumption recorded in the energy meters provided to segregated feeders by MESCOM.	<p>In Shivamogga and Chikkamagaluru Circles of MESCOM, a total 290 segregated agricultural feeders are commissioned so far. The details of the same are furnished below;</p> <table border="1" data-bbox="190 861 1164 1157"> <thead> <tr> <th>Sl.No</th> <th>Division</th> <th>No. of exclusive feeders</th> <th>No. of IP sets covered</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Shivamogga</td> <td>25</td> <td>11504</td> </tr> <tr> <td>2</td> <td>Bhadravathi</td> <td>25</td> <td>11164</td> </tr> <tr> <td>3</td> <td>Sagara</td> <td>18</td> <td>5562</td> </tr> <tr> <td>4</td> <td>Shikaripura</td> <td>92</td> <td>24163</td> </tr> <tr> <td>5</td> <td>Kadur</td> <td>130</td> <td>54595</td> </tr> <tr> <td colspan="2"><b>Total</b></td> <td><b>290</b></td> <td><b>106988</b></td> </tr> </tbody> </table> <p>The IP set consumption of the above said segregated agriculture feeders are taken as recorded in the feeder meters at the respective substations by subtracting metered consumption if any, line losses (HT &amp;LT) and transformer losses.</p>	Sl.No	Division	No. of exclusive feeders	No. of IP sets covered	1	Shivamogga	25	11504	2	Bhadravathi	25	11164	3	Sagara	18	5562	4	Shikaripura	92	24163	5	Kadur	130	54595	<b>Total</b>		<b>290</b>	<b>106988</b>
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13	Directive on implementation of Financial Management Framework	MESCOM has to submit the compliance in respect of implementation of Financial Management Framework, on quarterly basis regularly to the Commission.	<p>MESCOM has taken several steps to collect huge arrears of all the O&amp;M Divisions. Every month the revenue collection of section / Sub division are compared at Division level and Divisional level progress is analyzed at Corporate Office level also. Necessary instructions and directions are being issued from Corporate Office in the matter every month. The O&amp;M Divisional, Circle and Zonal level Revenue review meeting also conducted every month. More over O&amp;M Circle wise monthly Revenue progress review has been conducted by Managing Director and necessary instructions are being issued to the concerned. With regard to dues of Govt installations and Public water supply and street light installations, correspondences are being made with concerned authorities including CEO's of all ZPs and DCs of all Districts. Regular monitoring of revenue collection has been done at Corporate office level and Revenue recovery drives are being organized in the Section office levels for realization of revenue. The CB ratio of 2021-22 is 1.56 which was 1.60 in 2020-21 which shows reduction in CB Ratio by 0.04 during 2021-22.</p>																												

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**Directive No**

**Directives Issued by the Commission**

**Observation made**

**MESCOM Reply**

M/s M.P.M Bhadravathi, a Govt undertaking has a dues of Rs.214.42crs. Several correspondence are being made with the concerned including with the Department of Industries and Commerce GOK for realization of Electricity dues of MPM. But Company has not received any amount from last 10 years from that installation. However, efforts are continued to recover the due of M/s. MPM Bhadravathi and also other Government installations.

14

Prevention of Electrical Accidents


MESCOM shall furnish the details of hazardous locations identified, the balance number of hazardous locations to be rectified for FY22 and till October 2022 along with an action plan to rectify them. MESCOM shall furnish the summary of the analysis made on the reports submitted by Electrical Inspectorate for FY22 and FY 23 up to September 2022, action taken to prevent such accidents in future.

SI No	No. of hazardous locations at the beginning of the year	No. of hazardous locations identified during FY 2022	Total	No. of hazardous locations rectified.	Balance No. of hazardous locations
1	79	2344	3248	3186	62

MESCOM has given priority for rectification of balance number of hazardous locations through replacement of deteriorated conductors/poles, providing intermediate poles where span length is more than the standards and where ground clearance is not maintained as per safety regulations. Also stanted poles are strengthened. Further, action taken to shift the HT/LT lines passing near to/above the buildings causing hazard. In addition to this, HT/LT lines passing through the school premises and transformers inside the school premises are shifted to make school premises free from hazard due to distribution network. As identification of hazardous locations and rectification of the same is a continuous process, actions are regularly taken to rectify such locations at the earliest as when identified in the network.

Analysis was made on the reports submitted by Electrical Inspectorate for FY-22 and FY-23 up to September 2022. MESCOM has taken action to prevent such accidents in future through periodical Safety training programs to power men. Safety awareness has also been created among consumers by distributing

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MESCOM Reply	Directives Issued by the Commission	Observation made	<p>pamphlets containing information about Dos and Don'ts and also published in MESCOM web site to create awareness among the public.</p>	<p><b>New</b></p>	<p>The KPTCL and ESCOMs were directed to comply with the timelines prescribed by the Commission on issue of NOC for wheeling and banking of energy in respect of Open Access Consumers. MESOM is yet to furnish compliance thereon, so for.</p>	<p>MESCOM is abide by the Open Access regulations duly issuing the No Objections Certificate (NOC) for Wheeling and Banking facility to Open Access Consumers/ Captive generators within the timeframe specified in the said regulations. The details of the applications received for NOC during FY 22 and FY 23 up to October is furnished below;</p>	<table border="1" style="width: 100%; text-align: center;"> <tr> <td>No. of applications received during FY 22</td> <td>16</td> </tr> <tr> <td>No. of applications received for NOC during FY 23 up to November</td> <td>7</td> </tr> <tr> <td><b>Total</b></td> <td><b>23</b></td> </tr> </table>	No. of applications received during FY 22	16	No. of applications received for NOC during FY 23 up to November	7	<b>Total</b>	<b>23</b>	<table border="1" style="width: 100%; text-align: center;"> <tr> <td>No of applications for which applications for NOC is issued within the time frame as per the OA regulations</td> <td>23</td> </tr> <tr> <td>No of applications for which applications for NOC is delayed</td> <td>Nil</td> </tr> </table>	No of applications for which applications for NOC is issued within the time frame as per the OA regulations	23	No of applications for which applications for NOC is delayed	Nil
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