

**CHAMUNDESHWARI ELECTRICITY SUPPLY  
CORPORATION LIMITED, MYSURU**



**Annual Performance Review for FY-22  
and Aggregate Revenue Requirement /  
Expected Revenue from Charges for  
FY-24 for Distribution and Retail Supply  
Business of CESC, Mysuru.**

**Filed on 29.11.2022**

**Before**

**Karnataka Electricity Regulatory Commission,  
Bengaluru.**





**BEFORE THE KARNATAKA ELECTRICITY REGULATORY COMMISSION,  
BENGALURU**

FILE NO. \_\_\_\_\_  
CASE NO. \_\_\_\_\_

In the Matter of

1. An application for approval of Annual Performance Review (APR) for FY-22 of Chamundeshwari Electricity Supply Corporation Limited, Mysuru (CESC, Mysuru).
2. An application for approval of Annual Revenue Requirement (ARR)/ Expected Revenue from Charges (ERC) for 2<sup>nd</sup> year of 6<sup>th</sup> Control period i.e., FY-24 of Chamundeshwari Electricity Supply Corporation Limited, Mysuru (CESC, Mysuru).
3. An application for tariff revision for FY-24 under Section 61 & 62 of the Electricity Act 2003 and under section 27 of the Karnataka Electricity Reforms Act 1999 read with relevant Regulations of KERC (Tariff) Regulations including KERC (Terms and Conditions for Determination of Tariff for Distribution and Retail Sale of Electricity) Regulations, 2006.

AND

In the Matter of

Chamundeshwari Electricity Supply Corporation Limited (CESC), Mysuru.

.....Petitioner

**AFFIDAVIT**

I, Smt.K.M.Swarooparani, aged 57 years, W/o T.Ramesh, General Manager (Commercial), Corporate Office, CESC, Mysuru, do solemnly affirm and state as follows:

- (a) I am dealing with Regulatory Affairs and have been duly authorized by the said petitioner to make this Affidavit.
- (b) I state that on behalf of Chamundeshwari Electricity Supply Corporation Limited (CESC), I am filing this petition for approval of Annual Performance Review for FY-22 and approval of Annual Revenue Requirement/ Expected Revenue from Charges for FY-24.
- (c) The Statement made in Chapters 01 to 07 and the related annexures are true to my knowledge and are based on the information I believe to be true.
- (d) I further state that, the statements made and the data presented in the aforesaid petition are true to the best of my knowledge, as per the records and based on estimations. Further, to my knowledge and belief, no material or information has been concealed in the aforesaid application.

Place: Mysuru

Date: 29.11.2022

on behalf of CESC, Mysuru

Document No. 512 Date 29/11/22

Page No. 8 Book No. II

Solemnly Affirmed & Sworn to  
Before me on 29 NOV 2022

NOTARY. MYSORE



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General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections.....

General Manager (Commercial)  
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CESC, Mysuru



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No. of Corrections.....*NK*.....

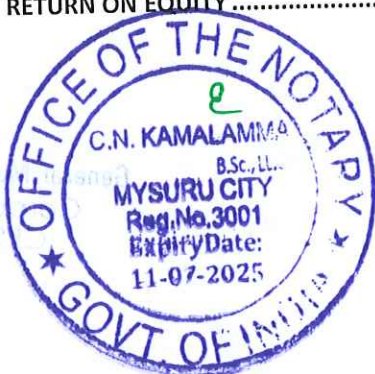
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Corporate Office,  
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No. of Corrections..... nil

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## ABBREVIATIONS

AAD	Advance Against Depreciation
AEH	All Electric Home
ABT	Availability Based Tariff
A&G	Administrative & General Expenses
AG	Accountant General
APDRP	Accelerated Power Development and Reforms Programme
ARM CELL	Additional Resources Mobilization Cell
ARR	Annual Revenue Requirement
APR	Annual Performance Review
ATE	Appellate Tribunal for Electricity
ATL	Anti-Theft Law
BJ	Bhagya Jyothi
BNC	Billing & Collection
BPL	Below Poverty Line
BRP	Balance Sheet Restructuring Plan
BST	Bulk Supply Tariff
CAG	Comptroller & Auditor General
CAPEX	Capital Expenditure
CAGR	Compounded Annual Growth Rate
CCS	Consumer Care Society
CDT	Commission Determined Tariff
CERC	Central Electricity Regulatory Commission
CE	Chief Engineer
CEA	Central Electricity Authority
CESC Mysore	Chamundeshwari Electricity Supply Corporation Limited, Mysore
CFO	Chief Financial Officer
CGS	Central Generating Stations
CIM	Consumer Interaction Meeting
Ckm	Circuit Kilometre
CMD	Chairman & Managing Director
CPI	Consumer Price Index
CTU	Central Transmission Utility
CWIP	Capital Works in Progress
Commission	Karnataka Electricity Regulatory Commission
CoS	Cost of Service
Cr.	Crore
DA	Dearness Allowance
DC	Direct Connection
DC LINES	Double Circuit Lines
DCB	Demand Collection & Balance
DCU	Data Concentrated Unit
DDG	Decentralised Distributed Generation
DDUGJY	Deen Dayal Upadhyaya Grameena Jyothi Yojana
DG PLANT	Diesel Generating Plant
DM	Distribution Margin

CESC Mysuru APR FY-22



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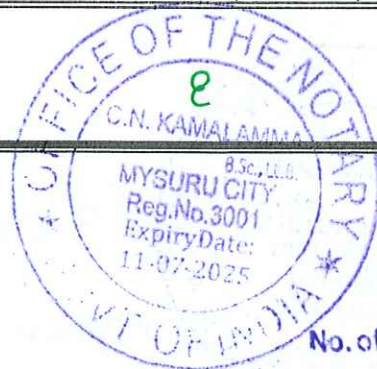
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Department of Corrections



DPR	Detailed Project Report
DTC	Distribution Transformer Centre
EA	Electricity Act
EC	Energy Charges
EHT	Extra High Tension
EHV	Extra High Voltage
EOU	Export Oriented Units
ERC	Expected Revenue From Charges
ES&D CODE	Electricity Supply & Distribution Code
ESCOMs	Electricity Supply Companies
ESSAR	Electricity Supply Annual Accounting Rules
E&I	Extension and Improvement
FA	Financial Adviser
FAC	Fuel Adjustment Charges
FC	Fixed Charges
FDP	Financial & Distribution Privatisation
FDSC	Foreign Debt Service Charges
FEC	Fuel Escalation Charges
FKCCI	Federation of Karnataka chamber of Commerce and Industry
FoR	Forum of Regulators
FR	Feasibility Report
FRP	Financial Restructuring Plan
FY	Financial Year
FEV	Foreign Exchange Variation
FOCA	Fuel and Other Cost Adjustment
GAAP	Generally Accepted Accounting Principles
GFA	Gross Fixed Assets
GIS	Geographical Information System
GoI	Government of India
GoK	Government of Karnataka
GRIDCO	Grid Corporation
GVP	Grama Vidhyuth Prathinidhi
HES	Head End System
HP	Horse Power
Hrs.	Hours
HRIS	Human Resources Information System
HT	High Tension
HV	High Voltage
HVDS	High Voltage Distribution System
Hz	Hertz
ICAI	Institute of Chartered Accountants of India
IDC	Interest During Construction
IND AS	Indian Accounting Standards
IP SETS	Irrigation Pump Sets
IPPs	Independent Power Projects/ Producers
IVRS	Interactive Voice Responsive System

CESC Mysuru APR FY-22



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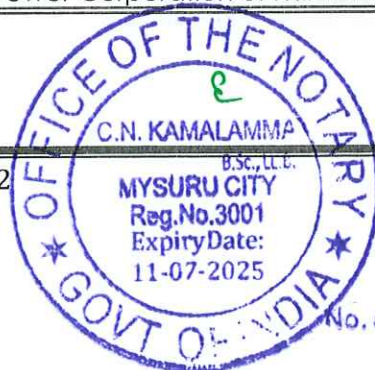
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No. of Corrections: *Nil*



IT	Income tax
IW	Industrial Worker
KASSIA	Karnataka Small Scale Industries Association
KEB	Karnataka Electricity Board
KER Act	Karnataka Electricity Reform Act
KERC	Karnataka Electricity Regulatory Commission
KJ	Kutira Jyothi
Km	Kilometre
KPCL	Karnataka Power Corporation Limited
KPTCL	Karnataka Power Transmission Corporation Limited
KV	Kilo Volt
KVA	Kilo Volt Ampere
KW	Kilo Watt
KWH	Kilo Watt Hour
LDC	Load Despatch Centre
LT	Low Tension
LTP Kit	Low Tension Protection Kit
MAPS	Madras Atomic Power Station
MAT	Minimum Alternate Tax
MCA	Mix Change Adjustment
MCLR	Marginal Cost of fund based Lending Rate
MD	Managing Director
MDM	Meter Data Management
MDGS	Millennium Development Goals
MFA	Miscellaneous First Appeal
MGHE Station	Mahatma Gandhi Hydro Electric Station
MIS	Management Information System
MMS	Mobile Messaging Service
MNR	Meter Not Recording
MOP	Ministry of Power
MU	Million Units
MUSS	Master Unit Sub Station
MVA	Mega Volt Ampere
MVAr	Mega Volt Ampere Reactive
MW	Mega Watt
MYT	Multi Year Tariff
MYTR	Multi Year Tariff regulations
NCP	Non Coincident Peak
NFA	Net Fixed Assets
NLC	Neyveli Lignite Corporation
NTP	National Tariff Policy
NTPC	National Thermal Power Corporation
O&M	Operation & Maintenance
OA	Open Access
OYTS	Own Your Transformer Scheme
PCKL	Power Corporation of Karnataka Ltd

CESC Mysuru APR FY-22



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No. of Corrections: *NU*

PF	Provident Fund
PFC	Power Finance Corporation Limited
PGCIL	Power Grid Corporation Of India Limited
P&L	Profit and loss Account
PLF	Plant Load Factor
PLR	Prime Lending Rate.
POCA	Power Purchase & Other Cost Adjustment
PPA	Power Purchase Agreement
PRDC	Power Research and Development Consultants
REC	Rural Electrification Corporation Limited
REL	Reliance Energy Limited
R & M	Repairs and Maintenance
ROE	Return on Equity
ROR	Rate of Return
ROW	Right of Way
RPO	Renewable Purchase Obligation
SBI	State Bank of India
SCADA	Supervisory Control and Data Acquisition System
SERCs	State Electricity Regulatory Commissions
SLDC	State Load Despatch Centre
SRLDC	Southern Regional Load Despatch Centre
STU	State Transmission Utility
TAC	Technical Advisory Committee
TCC	Total Contracted Capacity
T&D	Transmission & Distribution
TCs	Transformer Centres
TMU	Transformer Monitoring Unit
TR	Transmission Rate
UAT	User Acceptance Testing
VVNL	Visvesvaraya Vidhyuth Nigama Limited
WPI	Wholesale Price Index
WC	Working Capital



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No. of Corrections.....*nika*.....

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# 1. Statutory Adherence

In accordance with the Karnataka Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Distribution and Retail Sale of Electricity) Regulation 2006, under clause 2.8, this application for Annual Performance Review for the year FY-22 is to be filed before the Honorable Commission. The contents of this application are in accordance with the guidelines mentioned in the aforementioned KERC Regulations.

The Annual Accounts for FY-22 has been drawn up in accordance with the Companies Act 2013 duly complying with the applicable accounting standards issued by the Institute of Chartered Accounts. The decimal part of the figures appearing in the tables may differ from the actual statements, as the same is restricted to 2 decimal points in the formats.

# 2. CESC Mysuru In Brief

A Bird's eye view:



Chamundeshwari Electricity Supply Corporation Limited, Mysuru, shortly abbreviated as "CESC Mysuru" with its headquarters at Mysuru City is a Corporation incorporated under Company's Act-1956 Vide G.O. No. EN 98 PSR 2004 Bangalore dated 19<sup>th</sup> August 2004, duly bifurcating Mangalore Electricity supply Company (MESCOM), covering the Districts in the State of Karnataka namely Mysuru, Mandya, Chamarajanagar and Hassan.

Subsequently the District of Kodagu was included in the jurisdiction of CESC Mysuru vide G.O.No. EN 95 PSR 2005 dated 29<sup>th</sup> March 2006. W.e.f 1<sup>st</sup> April 2006.

The Share capital of the Corporation is fully owned by Government of Karnataka (GoK) and its Board of Directors are nominated by Government of Karnataka.

By virtue of transfer scheme rules made under Karnataka Electricity Reforms Act 1999, Distribution System of 33 kV and below along with specified lines, posts and personnel have been transferred to CESC Mysuru from MESCOM.



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No. of Corrections.....*0/0*.....

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## CESC Mysuru In Brief

CESC Mysuru commenced its functioning as Electricity Distribution Corporation w.e.f 01.04.2005.

The Company comprises of 62 O&M sub-divisions, 18 O&M divisions, 4 O&M circles and 02 O&M Zones.

### The Key Profile of the Company

SL. NO	PARTICULARS	AS ON 31-03-2022
1	Area In Sq. Kms.	27,772 .82
2	Number of Districts.	5
3	Total Population.	81,55,369 (2011 Census)
4	Number of Zones	02
5	Number of Circles	04
6	Number of Divisions	18
7	Number of Sub-Divisions	62
8	Number of Receiving /Sub-Stations (220, 110 & 66 kV- Maintained by KPTCL) (33 kV-maintained by CESC)	220 kV - 17 110 kV - 09 66 kV - 229 33 kV - 004 <b>Total - 259</b>
9	Number of DTC's	164018
10	Fixed Assets	Rs. 6697.59 Crores
11	Length of HT Lines (in R.kms)	67975.94
12	Length of LT Lines (in R.kms)	92593.66
13	HT / LT Ratio	1:1.36
14	<b>Total Employees Strength:</b>	
A	Sanctioned.	10406
B	Working.	6571



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No. of Corrections.....*nk*

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## Consumers Profile-as on 31-03-2022

TARIFF	CONSUMERS	PERCENTAGE	SALES IN MU	PERCENTAGE	REVENUE IN CRORES	PERCENTAGE
LT1	489662	13.66%	124.39	1.86%	97.22	2.05%
LT2	2150203	60.00%	1117.17	16.71%	789.49	16.61%
LT3	285206	7.96%	317.07	4.74%	346.46	7.29%
LT4	457765	12.77%	2991.6	44.76%	1818.47	38.26%
LT5	49015	1.37%	167.36	2.50%	159.27	3.35%
LT6	58202	1.62%	394.00	5.89%	258.81	5.44%
LT7	90427	2.52%	17.41	0.26%	48.24	1.01%
AUXILIARY	248	0.01%	5.45	0.08%	2.89	0.06%
HT	2860	0.08%	1549.75	23.19%	1232.39	25.93%
<b>TOTAL</b>	<b>3583588</b>		<b>6684.20</b>		<b>4753.23</b>	



29 NOV 2022

No. of Corrections.. *niru*

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CESC, Mysuru

General Manager (Commercial)  
Corporate Office,  
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### 3. Annual Performance Review For FY-22

As per 2.8 of KERC (terms and Conditions for Determination of Tariff for Distribution and Retail Sale of Electricity) Regulations, 2006, CESC Mysuru is filing the Annual Performance Review for FY-22 as per audited accounts. The Annual accounts FY-22 has been drawn up in accordance with the Companies Act 2013 duly complying with the applicable accounting standard issued by the Institute of Chartered Accounts. The operating performance and financial performance of the Company for FY-22 is depicted in the foregoing paragraphs.

#### 3.1 Operating Performance of the Year FY-22

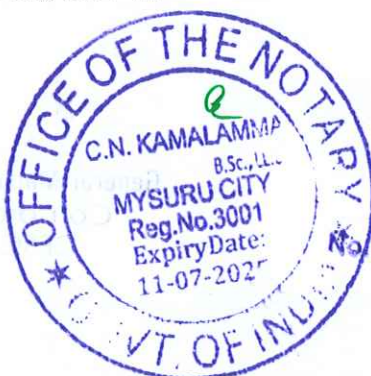
##### A. Number of Installations:

The details of approved number of consumer installations (in Tariff Order 2021 dated: 09.06.2021) over the actuals for FY-22 and growth in FY-22 over FY-21 is as follows,

CATEGORY	ACTUAL NO'S OF INSTALLATIONS FOR FY-21	ACTUAL NO'S OF INSTALLATIONS FOR FY-22	KERC APPROVED NO'S OF INSTALLATIONS FOR FY-22	VARIATION OF ACTUALS OVER APPROVED FOR FY-22		GROWTH IN FY-22 OVER FY-21	
				IN NO'S	IN %	IN NO'S	IN %
BJ/KJ> 40 Units	32717	41739	39372	2367	6.01%	9022	27.58%
LT-2a	2049315	2146607	2130262	16345	0.77%	97292	4.75%
LT-2b	3265	3596	3343	253	7.57%	331	10.14%
LT-3	268306	285206	279018	6188	2.22%	16900	6.30%
LT-4(b)	209	226	222	4	1.80%	17	8.13%
LT-4(c)	10138	11004	10686	318	2.98%	866	8.54%
LT-5	44130	49015	45998	3017	6.56%	4885	11.07%
LT-6WS	30314	31507	31947	-440	-1.38%	1193	3.94%
LT-6PL	25522	26695	26388	307	1.16%	1173	4.60%
LT-7	70320	90427	70907	19520	27.53%	20107	28.59%
HT-1	178	192	192	0	0.00%	14	7.87%
HT-2(a)	1129	1244	1199	45	3.75%	115	10.19%

CESC Mysuru APR FY-22

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29 NOV 2022

*K. Srinivas*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections.....*NU*.....



Annual Performance Review of FY-22

CATEGORY	ACTUAL NO'S OF INSTALLATIONS FOR FY-21	ACTUAL NO'S OF INSTALLATIONS FOR FY-22	KERC APPROVED NO'S OF INSTALLATIONS FOR FY-22	VARIATION OF ACTUALS OVER APPROVED FOR FY-22		GROWTH IN FY-22 OVER FY-21	
				IN NO'S	IN %	IN NO'S	IN %
HT-2(b)	776	855	856	-1	-0.12%	79	10.18%
HT-2c	326	352	361	-9	-2.49%	26	7.98%
HT3 a & b	109	124	114	10	8.77%	15	13.76%
HT-4	28	41	26	15	57.69%	13	46.43%
HT-5	41	52	34	18	52.94%	11	26.83%
<b>Subtotal other than BJ/KJ and IP sets</b>	<b>2536823</b>	<b>2688882</b>	<b>2640925</b>	<b>47957</b>	<b>1.82%</b>	<b>152059</b>	<b>5.99%</b>
BJ/KJ	459198	447923	452652	-4729	-1.04%	-11275	-2.46%
IP	423695	446535	434205	12330	2.84%	22840	5.39%
<b>Subtotal of BJ/KJ and IP sets</b>	<b>882893</b>	<b>894458</b>	<b>886857</b>	<b>7601</b>	<b>0.86%</b>	<b>11565</b>	<b>1.31%</b>
Station Auxiliary	244	248	265	-17	-6.42%	4	1.64%
<b>Total</b>	<b>3419960</b>	<b>3583588</b>	<b>3528047</b>	<b>55541</b>	<b>1.57%</b>	<b>163628</b>	<b>4.78%</b>

**Analysis:**

There is growth in the number of installations in all the tariff categories except BJ/KJ (below 40 units), LT-6 (water supply), HT-2(b) & HT2(c) as compared to the Commission approved figures of FY-22 (as in Tariff order 2021).

Over all, there is increase in number of installations by 55541 No's when compared to the approved figures for FY-22. However, there is increase in the total No. of installations by 163628 no's over the figures of FY-21, thus showing a growth of **4.78%**.



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No. of Corrections..... *wik*





**B: ENERGY SALES:**

The comparative statement showing the details of approved energy sales (as per Tariff Order 2021 dated: 09.06.2021) over the actuals of FY-22 and the actual energy sales of FY-21 & FY-22 is as given below.

CATEGORY	ACTUAL SALES IN MU FOR FY-21	ACTUAL SALES IN MU FOR FY-22	KERC APPROVED ENERGY SALES FOR FY-22	VARIATION OF ACTUALS OVER APPROVED SALES IN MU		INCREASE/ DECREASE IN FY-22 OVER FY-21	
				in MU	in %	in MU	in %
BJ/KJ> 40 Units	30.77	29.27	48.56	-19.29	-39.72%	-1.5	-4.87%
LT-2a	1074.06	1109.25	1097.9	11.35	1.03%	35.19	3.28%
LT-2b	6.55	7.91	10.7	-2.79	-26.03%	1.36	20.84%
LT-3	283.71	317.07	348.25	-31.18	-8.95%	33.36	11.76%
LT-4(b)	1.34	1.02	0.87	0.15	16.87%	-0.32	-24.12%
LT-4(c)	19.99	19.2	21.78	-2.58	-11.83%	-0.79	-3.93%
LT-5	150.24	167.36	156.43	10.93	6.98%	17.12	11.39%
LT-6WS	265.33	276.55	285.94	-9.39	-3.28%	11.22	4.23%
LT-6PL	116.5	117.44	123.46	-6.02	-4.87%	0.94	0.81%
LT-7	16.11	17.41	19.33	-1.92	-9.93%	1.3	8.08%
HT-1	471.25	497.33	485.36	11.97	2.47%	26.08	5.53%
HT-2(a)	576.8	754.19	747.39	6.8	0.91%	177.39	30.75%
HT-2(b)	86.19	103.87	136.22	-32.35	-23.75%	17.68	20.52%
HT-2c	44.27	53.42	61.02	-7.6	-12.45%	9.15	20.67%
HT3 a & b	99.35	130.65	96.08	34.57	35.98%	31.3	31.50%
HT-4	3.79	4.17	4.15	0.02	0.52%	0.38	10.06%
HT-5	3.4	6.13	2.68	3.45	128.61%	2.73	80.19%
<b>Subtotal other than BJ/KJ and IP sets</b>	<b>3249.65</b>	<b>3612.25</b>	<b>3646.12</b>	<b>-33.87</b>	<b>-0.93%</b>	<b>362.6</b>	<b>11.16%</b>
BJ/KJ < 40 Units	98.91	95.12	95.33	-0.21	-0.22%	-3.79	-3.83%
IP	2948.86	2971.38	3064.87	-93.49	-3.05%	22.52	0.76%
<b>Subtotal of BJ/KJ and IP sets</b>	<b>3047.77</b>	<b>3066.5</b>	<b>3160.2</b>	<b>-93.7</b>	<b>-2.97%</b>	<b>18.73</b>	<b>0.61%</b>
Auxiliary Consumption	5.4	5.45	5.39	0.06	1.11%	0.05	0.93%
<b>Total</b>	<b>6302.82</b>	<b>6684.2</b>	<b>6811.71</b>	<b>-127.51</b>	<b>-1.87%</b>	<b>381.38</b>	<b>6.05%</b>



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No. of Corrections: 02



**Sales Analysis:**

As could be seen from above details, the actual energy sale for FY-22 is lesser than the approved sales by 127.51 MU. The reduction in sales is mainly due to reduction in sales in respect of BJ/KJ > 40 Units ,LT-3 & HT-2(B). However, there is increase in sales by 381.38 MU over the sales of FY-21. The overall growth in energy sales of FY-22 over FY-21 is **6.05%**.

The variation in the energy sales, as compared to the energy sales approved in the Tariff Order 2021 (for FY-22), dated: 09.06.2021 is observed as below;

**BJ/KJ above & below 40 units:** There is decrease of 0.21 MU & 19.29 MU in BJ/KJ<40 & in BJ/KJ>40 respectively against the approved sales. The consumption of BJ/KJ>40 is billed under LT-2(a) category. The breakup and specific consumption is as shown in the following table follows;

PARTICULARS	NO. OF INSTALLATIONS	CONSUMPTION IN MU	SPECIFIC CONSUMPTION PER INSTALLATION PER MONTH IN KWH FOR FY-22
BJ/KJ < 40 Units	447923	95.12	17.70
BJ/KJ > 40 Units	41739	29.27	58.44

There is a decrease of Specific consumption per installation per month by 0.25 units for installations less than 40 units and decrease of 19.93 units for installations more than 40 units over the figures in FY-21.

**LT-2(a)-Domestic:** There is increase in the sales by 11.35 MU against the approved sales. Also, there is considerable growth of 35.19 MU over the sales of FY21. In FY-22, there is considerable increase in the number of installations by 97292 which has contributed in the increase of energy sales.

**LT-2(b)-Educational Institutions & Hospitals:** There is decrease in the sales by 2.79 MU against the approved sales. However, there is marginal increase of 1.36 MU over the figures of FY-21.

**LT-3-Commercial:** There is decrease in the sales by 31.18 MU against the approved sales. However, there is marginal increase of 33.36 MU over the figures of FY-21.

**LT-4(a)-Irrigation pump sets up to & inclusive of 10HP:** There is considerable decrease of 93.49 MU in FY-22 over the approved figures. However, there is increase of 22.52 MU over the energy sales of FY-21. The specific consumption of FY-22 has decreased to 6797 units per annum against 7216.46 units per annum



29 NOV 2022

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## Annual Performance Review of FY-22

as approved by the Hon'ble Commission. This decrease is attributed to the heavy rainfall & floods resulting in decrease of agricultural activities.

The specific consumption is calculated as discussed in the Tariff order 2021 (for FY-22) considering the actual mid-year installations, the calculation is as follows

Particulars	As approved in T.O. 2021	Actuals as per DCB (April-21 to March-22)
No. of installations	434205	446535
No's of IP set installations as per DCB (mid-year)	424705	437147
Sales registered	3064.87	2971.38
Specific consumption per IP set per year	7216.46	6797

The details of the assessed consumption of agricultural feeders & sales of IP energy for FY-22 is submitted to the Hon'ble Commission vide letter no: CESC/GM(Coml)/DGM(Coml)/02/2022-23/16057 dated: 09.11.2022. This assessment is made by considering the DCB from May-21 to April-22, which records the actual consumption incurred in the year. This calculation is as given below;

SI No	Particulars	As approved in T.O. 2021	Actuals as per DCB of May-21 to April-22
A	No. of installations	434205	448674-1161 (dried up)=447513
B	No's of IP set installations as per DCB (mid-year)	424705	435575
C	Sales registered	3064.87	3004.49
D	Specific consumption per IP set per year $= (C/D) * 10^6$	7216.46	6897.75

The circle-wise details of GPS survey of IP sets by reconciling survey data with the number of installations in the DCB as on 31.03.2022 & 30.09.2022 is annexed as **Annexure-1**

**LT-4(b)-Irrigation pump sets above 10HP:** There is marginal increase in the sales by 0.15 MU against the approved sales. However, there is marginal decrease of 0.32 MU over the sales of FY21.



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No. of Corrections.....



**LT-4(c)-Private horticulture nurseries, Coffee & Tea plantations:** There is decrease in the sales by 2.58 MU against the approved sales. Also, there is marginal decrease of 0.79 MU over the sales of FY21.

**LT-5-Industries:** There is increase in the sales by 10.93 MU against the approved sales. Also, there is increase of 17.12 MU over the sales of FY21.

**LT-6-Water Supply:** There is decrease in the sales by 9.39 MU against the approved sales. However, there is increase of 11.22 MU over the sales of FY21.

**LT-6-Public Lighting:** There is decrease in the sales by 6.02 MU against the approved sales. However, there is marginal increase of 0.94 MU over the sales of FY21.

**LT-7-Temporary:** There is decrease in the sales by 1.92 MU against the approved sales. However, there is increase of 1.30 MU over the sales of FY21.

**HT-1-Water Supply:** There is increase in the sales by 11.97 MU against the approved sales. Also, there is increase of 26.08 MU over the sales of FY21.

**HT-2(a)-Industries:** There is increase in the sales by 6.80 MU against the approved sales. Also, there is considerable increase of 177.39 MU over the sales of FY21.

**HT-2(b)-Commercial:** There is decrease in the sales by 32.35 MU against the approved sales. However, there is increase of 17.68 MU over the sales of FY21.

**HT-2(c) - Educational Institutions & Hospitals:** There is decrease in the sales by 7.60 MU against the approved sales. However, there is increase of 9.15 MU over the sales of FY21.

**HT-3 (a&b)-Lift irrigation & agricultural:** There is increase in the sales by 34.57 MU against the approved sales. Also, there is increase of 31.30 MU over the sales of FY21.

**HT-4-Residential Apartments:** There is marginal increase in the sales by 0.02 MU against the approved sales. Also, there is increase of 0.38 MU over the sales of FY21.

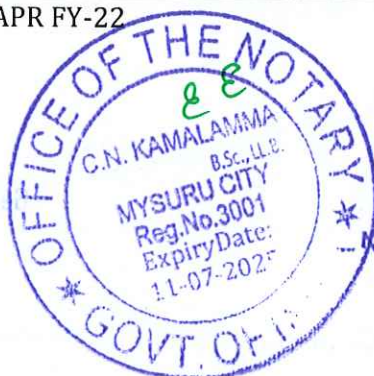
**HT-5-Temporary:** There is increase in the sales by 3.45 MU against the approved sales. Also, there is increase of 2.73 MU over the sales of FY21.

CESC, Mysuru has billed the energy consumption of KPTCL substations for auxiliary purposes during previous periods. The details are as follows;

FY	AUXILIARY CONSUMPTION IN UNITS	RATE/UNIT IN RS.	AMOUNT IN RS. (EXCLUDING TAX)	AMOUNT IN RS. (INCLUDING TAX)
2005-06	1723417	1.8800	3240024.00	3402025.00
2006-07	2251872	1.9200	4323594.00	4539774.00

CESC Mysuru APR FY-22

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No. of Corrections: *one*





Annual Performance Review of FY-22

FY	AUXILIARY CONSUMPTION IN UNITS	RATE/UNIT IN RS.	AMOUNT IN RS. (EXCLUDING TAX)	AMOUNT IN RS. (INCLUDING TAX)
2007-08	2572604	2.0600	5299564.00	5564542.00
2008-09	3347748	2.1100	7063748.00	7416935.00
2009-10	3826120	2.4700	9450516.00	9923042.00
2010-11	3961830	2.7900	11053506.00	11606181.00
2011-12	4287325	3.0800	13204961.00	13865209.00
2012-13	4207616	3.2000	13464371.00	14137590.00
2013-14	4266617	3.2800	13994504.00	14834174.00
2014-15	4617434	3.5700	16484239.00	17473293.00
2015-16	4772278	3.6000	17180201.00	18211013.00
2016-17	5039821	3.9400	19856895.00	21048309.00
2017-18	4919168	4.0600	19971822.00	21170127.00
2018-19	5024357	4.2900	21554496.00	23327358.00
2019-20	5246930	4.8100	25237733.00	27509129.00
2020-21	5402948	4.9295 (4.810 & 5.092)	26634247.00	29031329.00
2021-22	5450771	5.2940	28856382.00	31453456.00

An email dated: 19<sup>th</sup> May 2022 has been sent to DCA, TBC, KPTCL for adjustment of amount pertaining to auxiliary consumption with the Transmission charges.

**C: Distribution loss for FY-22**

The approved distribution loss for FY-22 as per Tariff Order 2021 dated: 09.06.2021 is shown in the below table:

PARTICULARS	APPROVED T.O 2022 (IN %)
UPPER LIMIT	11.00
AVERAGE	10.75
LOWER LIMIT	10.50

**Calculation of distribution loss for FY-22:**

The calculation of distribution loss and AT&C loss of CESC were arrived hitherto considering April to March input and April to March DCB i.e., considering same month input and same month DCB which is wrong as per the distribution loss formula as given below

$$\text{Distribution Loss} = \frac{\text{Energy Input} - \text{Energy billed}}{\text{Energy Input}} \times 100$$



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No. of Corrections.....*nil*



## Annual Performance Review of FY-22

Hence, distribution loss was arrived at, by considering input from April 21 to March 22 and DCB from May 21 to April 22. Even in Bureau of Energy Efficiency (BEE) formats, the same procedure is followed.

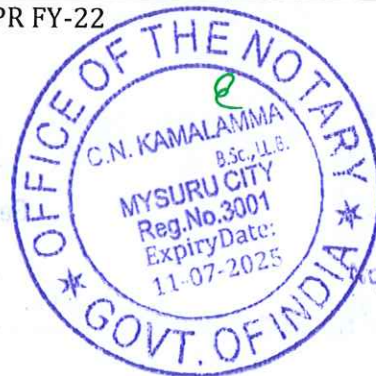
In order to rationalize the calculation of distribution loss, a detailed methodology has been circulated to all the O&M divisions & sub-divisions. A copy of this detailed circular vide no: GM(Coml)/DGM(Coml)/AGM(Coml)/F-08/22-23/CYS-818 dated: 22.08.2022 is annexed as **Annexure-2**

The format considering the above points for calculating the distribution loss for FY-22 is as shown below,

SI No	Month	Input including EHT (at IF point) in MU	Sales (from May-21 to April-22) in MU	Distribution loss in %
1	Apr-21	764.61	679.54	11.13%
2	May-21	633.79	564.64	10.91%
3	Jun-21	630.88	558.69	11.44%
<b>First Quarter of FY-22</b>		<b>2029.28</b>	<b>1802.87</b>	<b>11.16%</b>
4	Jul-21	530.61	479.82	9.57%
5	Aug-21	585.61	527.08	9.99%
6	Sep-21	613.84	549.06	10.55%
<b>Second Quarter of FY-22</b>		<b>1730.06</b>	<b>1555.96</b>	<b>10.06%</b>
7	Oct-21	449.65	415.25	7.65%
8	Nov-21	386.65	360.47	6.77%
9	Dec-21	541.89	486.85	10.16%
<b>Third Quarter of FY-22</b>		<b>1378.19</b>	<b>1262.57</b>	<b>8.39%</b>
10	Jan-22	752.86	670.5	10.94%
11	Feb-22	786.63	706.33	10.21%
12	Mar-22	860.37	755.04	12.24%
<b>Fourth Quarter of FY-22</b>		<b>2399.86</b>	<b>2131.87</b>	<b>11.17%</b>
<b>TOTAL</b>		<b>7537.39</b>	<b>6753.27</b>	<b>10.40%</b>

The Actual Energy for FY-22 against the Commission approved figures is depicted here under:

Sl. No.	Particulars	FY-22 Approved	FY-22 Actuals
1	Energy purchased at Generation point (in MU)	7866.43	8390.87
2	Energy at interface points (MU)	7632.17	7537.42
3	Total Sales (in MU) (considering DCB from May-21 to April-22)	6811.71	6753.27
4	Distribution loss as a percentage of input energy at IF point (considering input of April-21 to March-22)	10.75%	10.40%



29 NOV 2022

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No. of Corrections.....*nile*.....





### 3.2 Power purchase details and expenses.

The Hon'ble Commission in its Tariff Order-2021 dated: 09.06.2021 has approved the power purchase quantum of 7866.43 MU and power purchase cost of Rs.4005.12 Crs and the average power purchase rate as Rs.5.09 per unit. As against the approved average power purchase rate the actual power purchase rate incurred by CESC is Rs.4.80 per unit.

The detailed summary of the power purchase is as shown in the below Table(A)

Sl. No	NAME OF THE GENERATING STATION	Approved by KERC in T.O dated: 09.06.2021 (a)					Actuals for FY-22				
		Energy (MU)	Capacity Charge (Rs. Crs)	Energy Charges (Rs. Crs)	Total Cost (Rs. In Crs)	Cost / Unit in Rs	Energy (MU)	Capacity Charge (Rs. Crs)	Energy Charges (Rs. Crs)	Total Cost (Rs. In Crs)	Cost / Unit in Rs
<b>A</b>	<b>KPCL Thermal</b>										
1	RAICHUR THERMAL POWER STATION RTPS 1-7 (7x210)	703.56	115.87	211.07	326.94	4.65	604.41	105.78	205.31	311.10	5.15
2	RAICHUR THERMAL POWER STATION RTPS 8 (1x250)	74.75	26.51	20.93	47.44	6.35	76.36	24.28	27.33	51.61	6.76
3	BELLARY THERMAL POWER STATIONS BTPS-1 (1x500)	160.18	34.57	47.25	81.82	5.11	199.81	28.64	63.40	92.04	4.61
4	BELLARY THERMAL POWER STATIONS BTPS-2 (1x500)	181.53	49.48	53.37	102.85	5.67	161.71	44.30	48.57	92.87	5.74
5	BELLARY THERMAL POWER STATIONS BTPS-3 (1x700)	266.96	105.76	79.82	185.58	6.95	264.56	83.33	82.00	165.34	6.25
6	YTPS	328.86	183.50	95.37	278.87	8.48	499.79	157.27	153.47	310.74	6.22
	<b>Total KPCL Thermal</b>	<b>1715.85</b>	<b>515.70</b>	<b>507.81</b>	<b>1023.51</b>	<b>5.97</b>	<b>1806.65</b>	<b>443.62</b>	<b>580.08</b>	<b>1023.70</b>	<b>5.67</b>
	<b>CGS Sources</b>										
1	N.T.P.C-RSTP-I&II (3X200MW+3X500MW)	235.81	21.34	56.83	78.17	3.31	199.90	26.63	56.83	83.46	4.17
2	N.T.P.C-RSTP-III (1X500MW)	60.77	5.73	14.40	20.13	3.31	58.79	7.90	17.36	25.26	4.30
3	NTPC-Talcher :Stage-II	233.40	19.52	49.01	68.53	2.94	196.84	22.49	34.94	57.42	2.92



9<sup>th</sup> NOV 2022

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No. of Corrections..... *Nik*

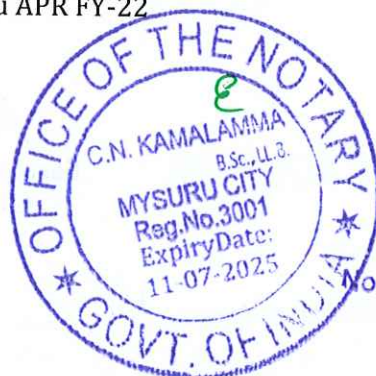


Annual Performance Review of FY-22

Sl. No	NAME OF THE GENERATING STATION	Approved by KERC in T.O dated: 09.06.2021 (a)					Actuals for FY-22				
		Energy (MU)	Capacity Charge (Rs. Crs)	Energy Charge (Rs. Crs)	Total Cost (Rs. In Crs)	Cost / Unit in Rs	Energy (MU)	Capacity Charge (Rs. Crs)	Energy Charge (Rs. Crs)	Total Cost (Rs. In Crs)	Cost / Unit in Rs
	(4X500MW)										
4	NTPC-Simhadri Unit -1 &2 (2X500MW)	58.73	21.32	17.62	38.94	6.63	75.32	25.91	26.55	52.47	6.97
5	NTPC Tamilnadu Energy Company Ltd(NTECL)-Vallur TPS Unit 1&2&3 (3X500)	48.05	22.53	14.42	36.95	7.69	83.56	21.95	28.85	50.80	6.08
6	Neyveli Lignite Corporation_NL C TPS-II STAGE I (3X210MW)	80.90	7.47	22.65	30.12	3.72	104.94	7.98	27.94	35.92	3.42
7	Neyveli Lignite Corporation_NL C TPS-II STAGE 2 (4X210MW)	111.94	10.41	31.34	41.75	3.73	124.37	9.97	33.11	43.08	3.46
8	Neyveli Lignite Corporation_NL C TPS I EXP (2X210MW)	72.08	7.65	18.38	26.03	3.61	86.52	8.17	21.20	29.37	3.39
9	Neyveli Lignite Corporation_NL C TPS2 EXP (2X250MW)	68.31	20.11	18.17	38.28	5.60	50.35	12.16	12.94	25.10	4.98
10	NLC TAMILNADU POWER LIMITED (NTPL) (TUTICORIN) (2X500MW)	69.41	25.01	20.82	45.83	6.60	90.06	19.96	33.86	53.83	5.98
11	MAPS (2X220MW)	17.48	0.00	4.54	4.54	2.60	7.01	0.00	1.83	1.83	2.60
12	KAIGA-UNIT 1&2 (2X220MW)	86.72	0.00	29.66	29.66	3.42	103.37	0.00	35.62	35.62	3.45
13	KAIGA-UNIT3&4 (2X220MW)	89.25	0.00	30.52	30.52	3.42	133.42	0.00	46.17	46.17	3.46
14	NPCIL-Kudankulam Atomic Power generating Station-U 1(1X1000MW)	116.96	0.00	47.84	47.84	4.09	327.94	0.00	139.24	139.24	4.25
15	NPCIL-Kudankulam Atomic Power generating Station-U	116.51	0.00	47.65	47.65	4.09				0.00	

CESC Mysuru APR FY-22

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No. of Corrections.....nil.....





Annual Performance Review of FY-22

Sl. No	NAME OF THE GENERATING STATION	Approved by KERC in T.O dated: 09.06.2021 (a)					Actuals for FY-22				
		Energy (MU)	Capacity Charge s (Rs. Crs)	Energy Charge s (Rs. Crs)	Total Cost (Rs. In Crs)	Cost / Unit in Rs	Energy (MU)	Capacity Charge s (Rs. Crs)	Energy Charge s (Rs. Crs)	Total Cost (Rs. In Crs)	Cost / Unit in Rs
	2(1X1000MW)										
16	DVC-Unit-7 & 8 Meja TPS	122.31	21.77	33.64	55.41	4.53	127.78	22.45	37.05	59.50	4.66
17	DVC-Unit-1 & 2-KODERMA TPS	152.89	31.39	38.22	69.61	4.55	195.91	33.19	52.00	85.20	4.35
18	Kudgi	250.36	159.63	71.35	230.98	9.23	322.25	173.30	135.51	308.81	9.58
19	New NLC thermal Project	32.21	7.90	7.50	15.40	4.78	48.33	9.17	10.63	19.80	4.10
	<b>Total CGS Energy @ KPTCL periphery</b>	<b>2024.11</b>	<b>381.76</b>	<b>574.59</b>	<b>956.35</b>	<b>4.72</b>	<b>2336.66</b>	<b>401.23</b>	<b>751.62</b>	<b>1152.85</b>	<b>4.93</b>
<b>C</b>	<b>MAJOR IPPS</b>										
1	<b>UDUPI POWER CORPORATION LIMITED UPCL (2x600)</b>	<b>317.12</b>	<b>82.41</b>	<b>100.84</b>	<b>183.25</b>	<b>5.78</b>	<b>117.67</b>	<b>82.41</b>	<b>71.82</b>	<b>154.23</b>	<b>13.11</b>
<b>D</b>	<b>KPCL HYDEL Stations</b>										
1	SHARAVATHI VALLEY PROJECT_SVP (10x103.5+2x27.5)	929.99	0.00	67.89	67.89	0.73	1001.37	3.22	57.91	61.13	0.61
2	MAHATMA GANDHI HYDRO ELECTRIC POWER HOUSE_MGHE (4x21.6+4x13.2)	27.08	0.00	2.41	2.41	0.89	57.78	0.19	2.97	3.16	0.55
3	GERUSOPPA_GPH (SHARAVATHI TAIL RACE_STR) (4x60)	51.65	0.00	8.01	8.01	1.55	56.41	2.60	7.43	10.03	1.78
4	KALI VALLEY PROJECT_KVP (2x50+5x150+1x135)	680.58	0.00	79.63	79.63	1.17	898.75	4.03	61.19	65.22	0.73
5	VARAHI VALLEY PROJECT_VVP (4x115+2x4.5)	112.26	0.00	19.08	19.08	1.70	121.57	2.32	17.53	19.86	1.63
6	ALMATI DAM POWER HOUSE_ADPH (1x15+5x55)	47.17	0.00	10.80	10.80	2.29	52.30	2.86	9.67	12.52	2.39



29 NOV 2022 *K. K. K.*  
 General Manager (Commercial)  
 Corporate Office,  
 CESC, Mysuru

No. of Corrections.....*NU*.....



Annual Performance Review of FY-22

Sl. No	NAME OF THE GENERATING STATION	Approved by KERC in T.O dated: 09.06.2021 (a)					Actuals for FY-22				
		Energy (MU)	Capacity Charge s (Rs. Crs)	Energy Charge s (Rs. Crs)	Total Cost (Rs. In Crs)	Cost / Unit in Rs	Energy (MU)	Capacity Charge s (Rs. Crs)	Energy Charge s (Rs. Crs)	Total Cost (Rs. In Crs)	Cost / Unit in Rs
7	BHADRA HYDRO ELECTRIC POWER HOUSE_BHEP ((1x2+2x12)+(1x7.2+1x6)	5.28	0.00	2.72	2.72	5.15	7.51	0.30	2.88	3.18	4.24
8	KADRA POWER HOUSE_KPH (3x50)	34.75	0.00	6.60	6.60	1.90	41.53	2.08	7.49	9.57	2.30
9	KODASALLI DAM POWER HOUSE_KDPH (3x40)	33.65	0.00	4.78	4.78	1.42	43.82	1.29	5.75	7.04	1.61
10	GHATAPRABHA DAM POWER HOUSE_GDPH (2x16)	6.80	0.00	1.47	1.47	2.16	9.88	0.05	2.18	2.23	2.26
11	SHIVASAMUDRAM (4x4+6x3) & SHIMSHAPURA (2x8.6)	29.72	0.00	4.25	4.25	1.43	31.13	0.37	3.85	4.22	1.36
12	MUNIRABAD POWER HOUSE (2x9+1x10)	8.63	0.00	1.13	1.13	1.31	13.85	0.04	1.11	1.15	0.83
	<b>Total KPCL Hydro</b>	<b>1967.56</b>	<b>0.00</b>	<b>208.76</b>	<b>208.76</b>	<b>1.06</b>	<b>2335.91</b>	<b>19.35</b>	<b>179.98</b>	<b>199.32</b>	<b>0.85</b>
<b>D</b>	<b>Other Hydro</b>										
1	Priyadarshini Jurala Hydro Electric Station(6x39)	15.28	0.00	5.71	5.71	3.74	15.84	5.60	0.00	5.60	3.54
2	TUNGABHADRA DAM POWER HOUSE_TBPH (4x9+4x9)	3.17	0.00	0.44	0.44	1.39	4.38	0.00	0.55	0.55	1.25
<b>D</b>	<b>TOTAL OTHER HYDRO</b>	<b>18.45</b>	<b>0.00</b>	<b>6.16</b>	<b>6.16</b>	<b>3.34</b>	<b>20.22</b>	<b>5.60</b>	<b>0.55</b>	<b>6.15</b>	<b>3.04</b>
	<b>RE Sources</b>										
1	WIND-IPPS	120.61	0.00	46.07	46.07	3.82	178.72	0.00	61.99	61.99	3.47
2	KPCL-WIND (9x0.225+10x0.230)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	MINI HYDEL - IPPS	262.33	0.00	87.09	87.09	3.32	290.58	0.00	94.59	94.59	3.26
4	CO-GEN	30.33	0.00	11.92	11.92	3.93	47.80	0.00	27.69	27.69	5.79

CESC Mysuru APR FY-22

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*R. Raju*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections.....*nil*.....





Annual Performance Review of FY-22

Sl. No	NAME OF THE GENERATING STATION	Approved by KERC in T.O dated: 09.06.2021 (a)					Actuals for FY-22				
		Energy (MU)	Capacity Charge s (Rs. Crs)	Energy Charge s (Rs. Crs)	Total Cost (Rs. In Crs)	Cost / Unit in Rs	Energy (MU)	Capacity Charge s (Rs. Crs)	Energy Charge s (Rs. Crs)	Total Cost (Rs. In Crs)	Cost / Unit in Rs
5	CAPTIVE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	BIOMASS	11.52	0.00	6.14	6.14	5.33	4.87	0.00	1.05	1.05	2.16
7	Solar-existing	927.88	0.00	460.23	460.23	4.96	992.29	0.00	454.01	454.01	4.58
8	SRTPV	13.27	0.00	6.89	6.89	5.19	12.14	0.00	3.74	3.74	3.08
9	SOLAR-KPCL (YELESANDRA,ITN AL,YAP ALDINNI,SHIMSHA ) (3x1+3x1+1x3x1x 5)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>TOTAL RE</b>	<b>1365.94</b>	<b>0.00</b>	<b>618.34</b>	<b>618.34</b>		<b>1526.39</b>	<b>0.00</b>	<b>643.07</b>	<b>643.07</b>	
1	Bundled power Coal-(OLD)	49.55	0.00	24.28	24.28	4.90	38.57	0.00	18.38	18.38	4.77
2	Bundled power Coal-(NEW)	233.83	0.00	91.19	91.19	3.90	58.93	0.00	23.11	23.11	3.92
3	Bundled power Solar-(OLD)	13.86	0.00	14.58	14.58	10.52	10.39	0.00	11.18	11.18	10.76
4	Bundled power Solar-(NEW)	160.17	0.00	76.88	76.88	4.80	143.51	0.00	70.56	70.56	4.92
	<b>Total Bundled Power</b>	<b>457.41</b>	<b>0.00</b>	<b>206.94</b>	<b>206.94</b>		<b>251.40</b>	<b>0.00</b>	<b>123.24</b>	<b>123.24</b>	<b>4.90</b>
1	<b>Medium Term (Co Gen)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>148.67</b>	<b>0.00</b>	<b>58.38</b>	<b>58.38</b>	<b>3.93</b>
	<b>Others</b>										
1	UI Charges	0.00	0.00	0.00	0.00	0.00	-20.72	0.00	-5.56	-5.56	2.68
2	Southwestern railways	0.00	0.00	0.00	0.00	0.00	-2.40	0.00	-1.90	-1.90	7.90
3	Transmission charges (Open Access Charges)	0.00	0.00	0.00	0.00	0.00	0.00	2.21	0.00	2.21	0.00
4	KSEB	0.00	0.00	0.00	0.00	0.00	0.89	0.00	0.70	0.70	7.86
5	IEX	0.00	0.00	0.00	0.00	0.00	-251.88	0.00	-99.48	-99.48	3.95
6	Sale of Surplus Energy	0.00	0.00	0.00	0.00	0.00	-14.29	0.00	-7.40	-7.40	5.18
7	Banked energy	0.00	0.00	0.00	0.00	0.00	53.89	0.00	0.00	0.00	0.00
8	Other Charges (LC,Reactive,etc )	0.00	0.00	0.00	0.00	0.00	0.00	-2.40	0.05	-2.35	0.00
9	Energy Balancing	0.00	0.00	0.00	0.00	0.00	81.84	0.00	40.27	40.27	4.92



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*K. Srinivas*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections: *nh*



Annual Performance Review of FY-22

Sl. No	NAME OF THE GENERATING STATION	Approved by KERC in T.O dated: 09.06.2021 (a)					Actuals for FY-22				
		Energy (MU)	Capacity Charge (Rs. Crs)	Energy Charge (Rs. Crs)	Total Cost (Rs. In Crs)	Cost / Unit in Rs	Energy (MU)	Capacity Charge (Rs. Crs)	Energy Charge (Rs. Crs)	Total Cost (Rs. In Crs)	Cost / Unit in Rs
10	PCKL Charges	0.00	0.00	0.00	0.00	0.00	0.00	1.82	0.00	1.82	0.00
	<b>Others Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-152.68</b>	<b>1.63</b>	<b>-73.31</b>	<b>-71.68</b>	<b>4.69</b>
E	<b>Total Excluding Transmission &amp; LDC CHARGES</b>	<b>7866.43</b>	<b>979.87</b>	<b>2223.44</b>	<b>3203.31</b>	<b>5.09</b>	<b>8390.87</b>	<b>953.83</b>	<b>2335.43</b>	<b>3289.27</b>	<b>3.92</b>
1	KPTCL TRANSMISSION CHARGES	0.00	490.92	0.00	490.92	0.00	0.00	494.39	0.00	494.39	0.00
2	PGCIL CHARGES	0.00	306.61	0.00	306.61	0.00	0.00	239.34	0.00	239.34	0.00
3	SLDC CHARGES	0.00	3.98	0.00	3.98	0.00	0.00	3.98	0.00	3.98	0.00
4	POSO CO CHARGES	0.00	0.30	0.00	0.30	0.00	0.00	0.67	0.00	0.67	0.00
	<b>TOTAL OF TRANSMISSION &amp; LDC CHARGES</b>	<b>0.00</b>	<b>801.81</b>	<b>0.00</b>	<b>801.81</b>	<b>0.00</b>	<b>0.00</b>	<b>738.39</b>	<b>0.00</b>	<b>738.39</b>	<b>0.00</b>
F	<b>TOTAL INCLUDING TRANSMISSION &amp; LDC CHARGES</b>	<b>7866.43</b>	<b>1781.68</b>	<b>2223.44</b>	<b>4005.12</b>	<b>5.09</b>	<b>8390.87</b>	<b>1692.22</b>	<b>2335.43</b>	<b>4027.66</b>	<b>4.80</b>

**Power Procurement for FY-22:**

The Commission in its Tariff order dated 9<sup>th</sup> June 2021 has approved the Power purchase quantum and the cost. Actual source wise power purchase quantum and the cost is tabulated below:

Source	Approved			Actuals			Variation (Actuals-Approved)		
	Energy in Mu	Cost in Rs.Cr	Cost per Unit	Energy in Mu	Cost in Rs.Cr	Cost per Unit	Energy in Mu	Cost in Rs.Cr	Cost per Unit
KPCL Hydel	1967.56	208.76	1.06	2335.91	199.32	0.85	368.35	-9.44	-0.21
KPCL Thermal	1715.85	1023.51	5.97	1806.65	1023.70	5.67	90.80	0.19	-0.30
IPPs(UPCL)	317.12	183.26	5.78	117.67	154.23	13.11	-199.45	-29.03	7.33
CGS	2024.11	956.35	4.72	2336.66	1152.89	4.93	312.55	196.54	0.21
NCE	1365.94	618.34	4.53	1526.39	643.08	4.21	160.45	24.74	-0.31
Bundled Power	457.41	206.94	4.52	251.40	123.24	4.90	-206.01	-83.69	0.38



29 NOV 2022  
*K. S. S. S.*  
 General Manager (Commercial)  
 Corporate Office,  
 CESC, Mysuru

No. of Corrections.....*nih*.....





## Annual Performance Review of FY-22

Source	Approved			Actuals			Variation (Actuals-Approved)		
	Energy in Mu	Cost in Rs.Cr	Cost per Unit	Energy in Mu	Cost in Rs.Cr	Cost per Unit	Energy in Mu	Cost in Rs.Cr	Cost per Unit
Other States	18.45	6.16	3.34	20.22	6.15	3.04	1.77	-0.01	-0.30
Others (IEX/ Sale of surplus/ Banked energy /KSEB)	0.00	0.00	0.00	-211.39	-106.32	5.03	-211.39	-106.32	5.03
Short-term /Medium Term	0.00	0.00	0.00	148.67	58.38	3.93	148.67	58.38	3.93
PP under UI (Including SW Railway)	0.00	0.00	0.00	-23.12	-7.45	3.22	-23.12	-7.45	3.22
Energy Balancing	0.00	0.00	0.00	81.84	40.27	4.92	81.84	40.27	4.92
KPTCL Transmission charges	0.00	490.92	0.00	0.00	494.39	0.00	0.00	3.47	0.00
SLDC/ POSOCO/PCKL Charges	0.00	4.28	0.00	0.00	6.48	0.00	0.00	2.19	0.00
PGCIL Charges	0.00	306.61	0.00	0.00	239.34	0.00	0.00	-67.27	0.00
<b>TOTAL</b>	<b>7866.43</b>	<b>4005.12</b>	<b>5.09</b>	<b>8390.87</b>	<b>4027.70</b>	<b>4.80</b>	<b>524.44</b>	<b>22.58</b>	<b>-0.29</b>

From table 4.2 (a) ,it is clear that the quantum of total energy is increased by 524.44 MU over the approved energy of 7866.43 MU for FY-22. Quantum of the total energy actually purchased by CESC is 8390.87 MU. In this regard, it is brought to your kind notice that due to non-allocation of IEX sales to CESC under non-solar category, nearly 491 MU of energy has not been accounted under IEX sales. **Hence CESC has not accepted the energy reconciliation done at TBC, KPTCL, Bengaluru and has requested for resolving the issue. If this issue is resolved, then actual power purchase of CESC becomes 7900 MU which is on-par with KERC approved power purchase quantum.**

The power purchase cost for FY-22 has increased over approved power purchase cost by Rs.22.58 Crs mainly due to following reasons;

- Procurement of energy from Co-gen under medium term, which amounts to Rs.58.38 Crores which is not included in Commission approved PP cost.



29 NOV 2022

*K. Srinivas*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections.....*nm*.....



- Co-gen under exclusive purchase: There is increase in cost by 15.77 Crs over the approved figures on account of Hon'ble KERC order dated 02.08.2022 in respect of RP No.09/2021 for Co-gen.
- Due to increased share allocation in respect of KPCL thermal, CGS thermal & nuclear stations, there is increase in power purchase cost by Rs.113 Crs over approved PP cost.
- Overdrawal of energy from ESCOMs resulting in an additional expenditure of Rs.40.27 Crs

However, this increase in power purchase cost is balanced by the amount received from IEX sales.

**Note:** With effect from 01.04.2021, the energy allocation to CESC is as per the Order No.ENERGY120 PSR 2021 Bangalore dated: 25.03.2021 and ENERGY/39/PSR/2022 Bangalore dated: 21.01.2022. Power Purchase cost is being accounted for and paid as per the above allocation which is reconciled at the end of the financial year based upon actual drawal of energy during energy reconciliation meeting at Transmission Billing Centre, KPTCL. **The energy reconciliation among ESCOMS for FY-22 has been finalized. However CESC, has not accepted the finalized Energy Balancing due to the discrepancies in allocation of IEX sales and a letter to this effect has been addressed to O/o CEE, SLDC, Bengaluru vide ltr no: CESC/GM(Comml)/EBC/2022-23/11173-78 dated: 25.08.2022.** The letter is enclosed as **Annexure- 3**

The Power Purchase details for FY-22 is annexed as Form-D1-FY22

The list of IPPs having PPA with CESC is annexed as **Annexure-4**

The statement of Energy balancing is annexed as **Annexure-5**

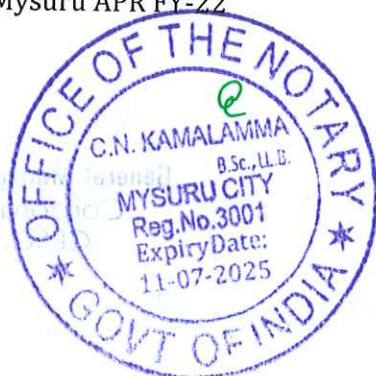
### Power purchase for the years FY-21 & FY-22

Power purchase cost is the most significant expenditure of the company. The source-wise power purchase cost for the years FY-21 & FY-22 is as following,

Sl.No	Source	(Rs. in Crs)	
		FY 22 In Crs.	FY 21 In Crs.
1	KPC Hydel	190.79	190.86
2	KPC Thermal	1023.70	734.03
3	VVNL Hydel	8.53	0.00
4	VVNL Diesel	0.00	0.00
5	IPPs	154.23	259.47

CESC Mysuru APR FY-22

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No. of Corrections.....nil

*K. S. Jai*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru





Annual Performance Review of FY-22

Sl.No	Source	FY 22	FY 21
		In Crs.	In Crs.
6	CGS	1152.89	772.96
7	NCE	643.08	572.56
8	Bundled Power	123.24	173.70
9	Others	-106.32	-138.91
10	Bilateral/Trading/UI/High cost	-7.45	-6.42
11	Short term/Medium Term	58.38	106.29
12	From-To Other ESCOMS	40.27	316.01
13	Other States	6.15	5.50
	<b>Total</b>	<b>3287.49</b>	<b>2986.04</b>
	<b>Other charges</b>		
1	Transmission charges	733.73	716.69
2	SLDC charges	3.98	2.81
3	SPCC (PCKL)/SRLDC Charges	2.49	1.89
	<b>Total</b>	<b>740.21</b>	<b>721.39</b>
	<b>Grand Total</b>	<b>4027.70</b>	<b>3707.43</b>

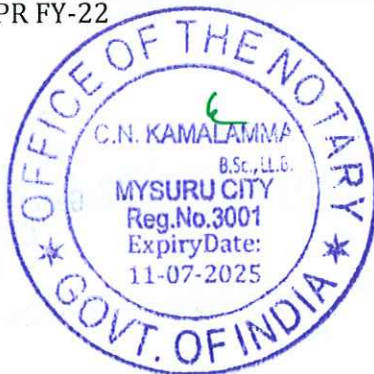
### 3.3 Renewable Purchase Obligation of CESC, Mysuru for FY-22:

As per the KERC (Procurement of energy from renewable sources) (Sixth Amendment) Regulation, 2018, vide notification No:Y/01/18/50 dated 15.11.2018, for FY-22, CESC Mysuru shall purchase a minimum quantity of 12.00% of electricity from RE sources other than Solar and 10.50% of Solar RE sources expressed as a percentage of its total procurement excluding procurement from hydropower during a financial year to meet the Renewable Purchase Obligation (RPO).

Details of the Non-solar and solar RPO of CESC Mysuru for the year FY-22 is appended as following:

#### Solar RPO details

Sl No	Particulars	Quantum in MU
1	Total Power purchase quantum from all sources	8390.87
2	Total Power purchase quantum from all sources for the purpose of calculation of RPO (As per Fifth Amendment of KERC)	5956.06
3	Solar renewable energy purchased under PPA route	992.29
4	Solar Energy purchased under Short-Term	0.00
5	Solar REC purchased at APPC	3.19
6	Solar energy pertaining to green energy sold to consumers under	-102.56



29 NOV 2022

No. of Corrections.....

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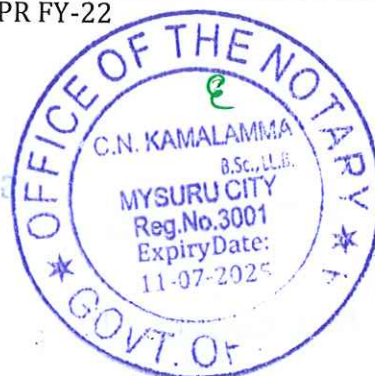


Sl No	Particulars	Quantum in MU
	green tariff (Green Tariff=3.189 MU & GTAM=102.562 MU)	
7	Solar energy purchased from other ESCOMs	0.00
8	Solar energy sold to other ESCOMs	0.00
9	Solar Energy purchased from NTPC as bundled power	153.90
10	Solar energy purchased from any other source (SRTPV & Banked Energy)	12.22
11	Total Solar energy purchased	1052.66
12	Solar Energy accounted for the purpose of RPO	1052.66
13	<b>Solar RPO complied in %</b>	<b>17.67%</b>

**Non-Solar RPO details**

No	Particulars	Quantum in MU
1	Total Power purchase quantum from all sources	8390.87
2	Total Power purchase quantum from all sources for the purpose of calculation of RPO (As per Fifth Amendment of KERC)	5956.06
3	Non solar renewable energy purchased under PPA route (NCE=521.96 MU, Banked Energy= 53.801 MU, Mani Dam-2.15 MU & Shimsha-4.607 MU)	582.518
4	Non solar Medium term purchase from RE sources only (Incl.Sec-11)	148.67
5	Non Solar REC purchased at APPC	7.59
6	Non solar RE pertaining to green energy sold to consumers under green tariff	0.00
7	Non solar REC purchased from other ESCOMs	0.00
8	Non solar REC sold to other ESCOMs	0.00
9	Surplus Solar REC accounted for the purpose of RPO	0.00
10	Total Non-solar energy purchased	723.59
11	Non solar RE accounted for the purpose of RPO	723.59
12	<b>Non solar RPO complied in %</b>	<b>12.14%</b>

As could be seen from the tables, CESC Mysuru has met the Solar RPO and the non-solar RPO for FY-22 as per the KERC Procurement of energy from renewable sources (Sixth Amendment) Regulation, 2018.



29 NOV 2022

*K. Srinivas*  
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CESC, Mysuru

No. of Corrections.....*n/a*





### 3.4 Capital Expenditure for FY-22:

CESC has carried out the works according to the "Capital Expenditure Guidelines for ESCOMs" issued by the Commission. The overall goal of CESC while taking up projects under E&I or any other scheme is to achieve the following:

- ❖ The network strengthening and expansion requirement
- ❖ Improvement of power supply reliability
- ❖ The target date for each of the project
- ❖ Loss reduction trajectory

The following table gives the details of approved and actual capital expenditure for FY-22

SL. NO.	SCHEMES	APPROVED BY KERC FOR FY-22	ACTUAL EXPENDITURE IN FY-22
1	Extension and Improvement	233.20	269.22
2	IPDS	1.58	0.91
3	DDUGJY	1.62	7.58
4	DDG	1.00	
5	Replacement of failed transformers	5.00	0.29
6	Service Connection (WS, IP SET, New Connection)	195.00	216.19
7	TSP - Energisation of IP Set	0.2	0.47
8	SCP - Energisation of IP Set	1.09	1.35
9	Special development Programme (SDP)	6.25	19.54
10	Ganga Kalyana - Energisation of IP Set	46.64	48.13
11	Tools and plants	3.00	3.72
12	Civil Engineering works	30.00	25.67
13	Providing meters to DTC, BJKJ, Street light, Replacement of electromechanical meters, Providing modems to meters for communication, Providing LT Distribution box with MCCB	3.82	0.00



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*K. K. K.*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru



Annual Performance Review of FY-22

SL. NO.	SCHEMES	APPROVED BY KERC FOR FY-22	ACTUAL EXPENDITURE IN FY-22
14	IT initiatives	1.59	2.73
15	New Projects	120.00	
	<b>Total</b>	<b>650.00</b>	<b>595.81</b>

The Capital Expenditure approved by the Hon'ble Commission for FY-22 is Rs.650 Crores. The actual expenditure incurred is Rs.595.81 Crores.

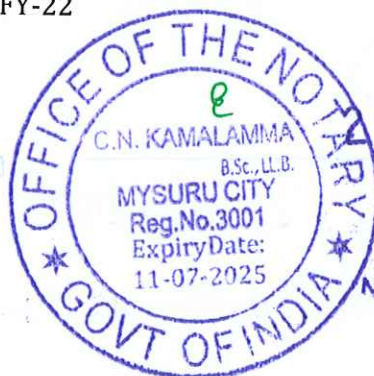
As per the actual expenditure incurred, the total amount is 664.80 Crs, wherein the amount for replacement of failed transformers is Rs.41.91 Crs. However, as per the Commission's directives the new transformers replaced for the transformers failed and beyond repairs are to be considered under Capex. Hence, Rs.0.29 Crs is considered for new transformers provided for replacement of failed transformers for the Capex.

The Source of funding together with cost is as furnished below:

CAPITAL EXPENDITURE DURING 2021-22 Rs.in Crs.	
Actual Expenditure incurred during the year	595.81
<b>Total</b>	<b>595.81</b>
Source of Funding Rs.in Crs.	
Grants from Government of India	40.96
Grants from Government of Karnataka	15.74
Fresh Borrowings	123.27
Internal resources	415.84
<b>Total</b>	<b>595.81</b>

The details of project/work-wise source of funding are as furnished below:

SI No	Projects	Actual Expenditure Incurred During FY-22	Source Of Funding Rs.in Crs.					Total
			Grants/Equity from Government		Grants from Corporation	Fresh Borrowings	Internal Resources	
			GOI	GOK				
1	NJY Phase 1 & 2	3.99					3.99	3.99
2	DDUGJY	38.92	16.87			18.02	4.03	38.92
3	DDG	3.76					3.76	3.76
4	IPDS	26.53	24.09				2.44	26.53
5	FAMS	1.05					1.05	1.05
6	MODEL	92.64				84.35	8.29	92.64



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*[Signature]*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections: *nih*





Annual Performance Review of FY-22

Sl No	Projects	Actual Expenditure Incurred During FY-22	Source Of Funding Rs.in Crs.					Total
			Grants/Equity from Government		Grants from Corporation	Fresh Borrowings	Internal Resources	
			GOI	GOK				
	SUBDIVISION							
7	OTHER PROJECTS	45.17		1.30			43.87	45.17
8	RAPDRP Part-A&B	0.38					0.38	0.38
9	UNIP	208.18				20.90	187.28	208.18
10	RGGVY/DDG	3.27					3.27	3.27
11	Smart Grid	0.80					0.80	0.80
12	Supply Bills	87.20		8.21			78.99	87.20
13	Civil	40.88					40.88	40.88
14	GK/WS	32.45			4.58		27.87	32.45
15	DTC Metering	0.00					0.00	0.00
16	SDP	10.59		6.23			4.36	10.59
	<b>Total</b>	<b>595.81</b>	<b>40.96</b>	<b>15.74</b>	<b>4.58</b>	<b>123.27</b>	<b>411.26</b>	<b>595.81</b>

Equity Statement & Bank Statement Tables is annexed in **Annexure-6**

### 3.5 Financial performance of the Company for FY-22

The financial performance of CESC, Mysuru as per the audited Annual accounts for FY-22 compared with the approved ARR for FY-22 by the Commission in Tariff Order for FY-22 is tabulated as follows;

**Revenue realization:**

As against KERC approved revenue of Rs.5180.68 Crs for 6811.71 MU, CESC Mysuru has been able to realize an amount of Rs.4874.20 Crs for 6684.20 MU. The revenue details is tabulated as follows,

Sl. No	Category	Consumer Category Particulars	No of Instns.	Energy Sold (MU)	Revenue (Rs in Crs)	Avg. Realn. (Paise/unit)
1	LT 1	Bhagya Jyoti/ Kutira Jyoti Below < 40 Units	447923	95.12	77.91	819.05
		Bhagya Jyoti/ Kutira Jyoti	41739	29.27	19.31	659.74



*K. S. S. S.*  
 General Manager (Commercial)  
 Corporate Office,  
 CESC, Mysuru  
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 No. of Corrections... *NK*



Annual Performance Review of FY-22

Sl. No	Category	Consumer Category Particulars	No of Instns.	Energy Sold (MU)	Revenue (Rs in Crs)	Avg. Realn. (Paise/unit)
		Above > 40 Units				
2	LT 2 (a)I	Domestic / AEH / Mysore CMC area	957710	698.24	500.77	717.20
3	LT 2 (a)II	Domestic / AEH / Urban and Local Bodies.	1188897	411.01	280.46	682.35
4	LT 2(a)III	Domestic / AEH / Village Panchayath	0	0.00	0.00	0.00
5	LT 2 (b)I	Private Professional educational institutions ULB/ & CMC	1982	5.30	5.56	1048.94
6	LT 2 (b)II	Private Professional educational institutions Village Panchayath.	1614	2.61	2.70	1033.13
		<b>Total LT 2</b>	<b>2150203</b>	<b>1117.17</b>	<b>789.49</b>	<b>706.69</b>
7	LT 3(I)	Commercial and Non Industrial Light and Fan ULB / CMC	193706	209.86	238.40	1135.99
8	LT 3(II)	Commercial and Non Industrial Light and Fan Village Panchayath.	91500	107.21	108.06	1007.93
		<b>Total LT 3</b>	<b>285206</b>	<b>317.07</b>	<b>346.46</b>	<b>1092.69</b>
9	LT 4 (a)(I)	Irrigation Pump sets <10 HP)	446535	2971.38	1802.58	606.65
10	LT 4(a)(II)	Irrigation Pump sets Under Urban Feeders.	0	0.00	0.00	0.00
11	LT 4 (b)	Urban Feeder (Ext)	226	1.02	0.66	653.46
12	LT 4 (c)	Pvt. Horticultural Nurseries	11004	19.20	15.22	1680.94
		<b>Total LT 4</b>	<b>457765</b>	<b>2991.60</b>	<b>1818.47</b>	<b>607.86</b>
13	LT 5a	Industrial Heating & Motive power under City Municipal Corporations	9488	48.20	46.38	962.16
14	LT 5b	Industrial Heating & Motive power other than City Municipal Corporations	39527	119.15	112.88	947.41
15	LT 6	Water Supply - Urban & Rural	31507	276.55	165.19	597.33
16	LT 6	Public Lighting & Yard Lighting	26695	117.44	93.62	797.11
17	LT 7 (a)	Temporary Power Supply	90211	17.27	47.95	2776.17
	LT-7(b)	Temporary Power Supply	216	0.14	0.29	2089.58
		<b>LT Total</b>	<b>3580480</b>	<b>5129.00</b>	<b>3517.96</b>	<b>685.90</b>

CESC Mysuru APR FY-22

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*K. S. Srinivas*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections: *nil*





Annual Performance Review of FY-22

Sl. No	Category	Consumer Category Particulars	No of Instns.	Energy Sold (MU)	Revenue (Rs in Crs)	Avge. Realn. (Paise/unit)
18	HT 1	Public Water Supply and Sewage Pumping	192	497.33	305.66	614.60
19	HT 2 a	Industrial , Non- industrial & Non-commercial Purposes (Ext)	1244	754.19	686.42	910.15
20	HT 2 b	Commercial	855	103.87	122.60	1180.34
	HT 2 c (i)		247	37.10	35.08	945.53
	HT 2 c (ii)		105	16.32	17.13	1049.91
21	HT 3 a	Lift irrigation and Lift irrigation Societies Govt./ Corporation.	121	130.18	52.83	405.83
22	HT 3 b	Lift irrigation -Agriculture farms, Government Horticulture farms, Pvt Horticulture nurseries, Coffee, Tea, Coconut & Areca nut Plantations.	3	0.46	0.25	547.66
23	HT 4a (B)	Mysore City Municipal Corporation areas Residential apartments and Gov. Hospitals	41	4.17	3.41	818.14
24	HT-4 (b)	Urban Local Bodies Residential apartments and Gov. Hospitals	0	0.00	0.00	0.00
25	HT 4 c	Residential Apartments VP areas	0	0.00	0.00	0.00
26	HT5	Temporary Power Supply	52	6.13	8.99	1466.61
		<b>HT TOTAL</b>	<b>2860</b>	<b>1549.75</b>	<b>1232.39</b>	<b>795.21</b>
27	I	<b>LT + HT TOTAL</b>	<b>3583340</b>	<b>6678.75</b>	<b>4750.34</b>	<b>711.26</b>
28	II	Electricity duty recovery/ Other State levies recovered	0	0.00	0.00	0.00
29	III	<b>Wheeling charges recovery (Auxiliary consumption)</b>	248	<b>5.45</b>	2.89	529.40
30	IV	<b>Misc. Charges from Consumers</b>	0	0.00	0.00	0.00
31	1	Fuse of calls	0	0.00	0.00	0.00
32	2	Reconnection Fee	0	0.00	0.91	0.00
33	3	Public lighting maintenance charges	0	0.00	0.00	0.00



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*K. Anurag*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections.....*N*.....



Annual Performance Review of FY-22

Sl. No	Category	Consumer Category Particulars	No of Instns.	Energy Sold (MU)	Revenue (Rs in Crs)	Avg. Realn. (Paise/unit)
34	4	Service connection charges	0	0.00	4.54	0.00
35	5	Delayed payment charges	0	0.00	93.05	0.00
		Cross Subsidy surcharge & Adtl Cross Subsidy	0	0.00	51.12	0.00
36	6	Other receipts( FAC+ Miss)	0	0.00	-32.96	0.00
37		<b>Total of IV</b>	0	0.00	<b>119.55</b>	0.00
38	V	Gross Revenue from Sale of Power (I+II+III+IV)	0	0.00	<b>4869.89</b>	0.00
39	VI	LESS:	0	0.00	0.00	0.00
40	1	Electricity duty payable (Contra)	0	0.00	0.00	0.00
41	2	Other State levies payable (Contra)	0	0.00	0.00	0.00
42	3	Withdrawal of Revenue Demand	0	0.00	4.31	0.00
43		<b>Total of VI</b>	0	0.00	<b>4.31</b>	0.00
44	VII	<b>Rural Rebate</b>	0	0.00	0.00	0.00
45	VIII	<b>Total (V-Vi-Vii)</b>	<b>3583588</b>	<b>6,684.20</b>	<b>4874.20</b>	<b>729.21</b>

The subsidy claims in respect of IP & BJ is furnished as following;

Month	Category		No's of installations			Consumption (in MU)			Rs/U nit	Demand (Rs in Crs)	Fac	Grand total (Rs in Crs)
			Metered	Unmetered	Total	Metered	Unmetered	Total				
Apr-20	BJ	Energy charges	303981		303981	8.12		8.12	7.61	5.92		5.92
		Min charges	140981		140981	0.16		0.16	60	0.58		0.58
	<b>Total</b>		<b>444962</b>	<b>0</b>	<b>444962</b>	<b>8.28</b>	<b>0</b>	<b>8.28</b>		<b>6.5</b>	<b>0</b>	<b>6.5</b>
	IP set		9823	416536	426359	6.14	370.57	376.71	<b>6.17</b>	<b>228.67</b>		<b>228.67</b>
	<b>Grand total</b>		<b>454785</b>	<b>416536</b>	<b>871321</b>	<b>14.42</b>	<b>370.57</b>	<b>384.99</b>		<b>235.17</b>	<b>0</b>	<b>235.17</b>
May-20	BJ	Energy charges	316352		316352	8.70		8.70	7.61	6.37		6.37
		Min charges	146515		146515	0.12		0.12	60	0.58		0.58
	<b>Total</b>		<b>462867</b>	<b>0</b>	<b>462867</b>	<b>8.82</b>	<b>0</b>	<b>8.82</b>		<b>6.95</b>	<b>0</b>	<b>6.95</b>
	IP set		9544	418705	428249	3.45	259.53	262.98	<b>6.17</b>	159.76		159.76
	<b>Grand total</b>		<b>472411</b>	<b>418705</b>	<b>891116</b>	<b>12.27</b>	<b>259.53</b>	<b>271.8</b>		<b>166.71</b>	<b>0</b>	<b>166.71</b>



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*K. J. J. J.*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections.....*nil*.....





Annual Performance Review of FY-22

Month	Category		No's of installations			Consumption (in MU)			Rs/Unit	Demand (Rs in Crs)	Fac	Grand total (Rs in Crs)
			Metered	Unmetered	Total	Metered	Unmetered	Total				
Jun-20	BJ	Energy charges	301721		301721	8.28		8.28	7.61	6.06		6.06
		Min charges	143889		143889	0.16		0.16	60	0.58		0.58
	Total		445610	0	445610	8.44	0	8.44		6.64	0	6.64
	IP set		9546	420857	430403	3.24	270.88	274.12	6.17	166.59		166.59
	Grand total		455156	420857	876013	11.68	270.88	282.56		173.23	0	173.23
Jul-20	BJ	Energy charges	284879		284879	7.75		7.75	7.61	5.89	-0.26	5.63
		Min charges	157701		157701	0.22		0.22	60	0.78	0	0.78
	Total		442580	0	442580	7.97	0	7.97		6.67	-0.26	6.41
	IP set		9551	423071	432622	3.00	218.41	221.41	6.17	136.61	-8.41	128.2
	Grand total		452131	423071	875202	10.97	218.41	229.38		143.28	-8.67	134.61
Aug-20	BJ	Energy charges	297345		297345	7.74		7.74	7.61	5.89	-0.30	5.59
		Min charges	152104		152104	0.23		0.23	60	0.77		0.77
	Total		449449	0	449449	7.97	0	7.97		6.66	-0.30	6.36
	IP set		9586	425183	434769	2.6	198.71	201.31	6.17	124.21	-7.65	116.56
	Grand total		459035	425183	884218	10.57	198.71	209.28		130.87	-7.95	122.92
Sep-20	BJ	Energy charges	289314		289314	7.54		7.54	7.61	5.70	-0.29	5.41
		Min charges	152197		152197	0.11		0.11	60	0.62		0.62
	Total		441511	0	441511	7.65	0	7.65		6.32	-0.29	6.03
	IP set		9534	425872	435406	0.62	219.82	220.44	6.17	136.01	-8.38	127.63
	Grand total		451045	425872	876917	8.27	219.82	228.09		142.33	-8.67	133.66
Oct-20	BJ	Energy charges	304178		304178	7.79		7.79	7.61	6.10	-0.05	6.05
		Min charges	147437		147437	0.13		0.13	60	0.8	0	0.8
	Total		451615	0	451615	7.92	0	7.92		6.9	-0.05	6.85
	IP set		9557	426143	435700	2.10	141.27	143.37	6.17	89.31	-0.86	88.45
	Grand total		461172	426143	887315	10.02	141.27	151.29		96.21	-0.91	95.3
Nov-20	BJ	Energy charges	300318		300318	7.76		7.76	7.61	5.99	-0.05	5.94



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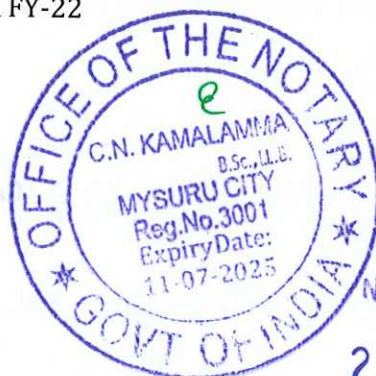
*K. K. Kani*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections.....*nu*.....



Annual Performance Review of FY-22

Month	Category	No's of installations			Consumption (in MU)			Rs/Unit	Demand (Rs in Crs)	Fac	Grand total (Rs in Crs)
		Metered	Unmetered	Total	Metered	Unmetered	Total				
	Min charges	142194	0	142194	0.11		0.11	60	0.72		0.72
	<b>Total</b>	<b>442512</b>	<b>0</b>	<b>442512</b>	<b>7.87</b>	<b>0</b>	<b>7.87</b>		<b>6.71</b>	<b>-0.05</b>	<b>6.66</b>
	<b>IP set</b>	9596	428234	437830	2.10	61.18	63.28	<b>6.17</b>	39.96	-0.37	39.59
	<b>Grand total</b>	<b>452108</b>	<b>428234</b>	<b>880342</b>	<b>9.97</b>	<b>61.18</b>	<b>71.15</b>		<b>46.67</b>	<b>-0.42</b>	<b>46.25</b>
Dec-20	BJ Energy charges	288494		288494	7.27		7.27	7.61	5.53	-0.04	5.49
	BJ Min charges	152446		152446	0.13		0.13	60	0.75		0.75
	<b>Total</b>	<b>440940</b>	<b>0</b>	<b>440940</b>	<b>7.40</b>	<b>0</b>	<b>7.40</b>		<b>6.28</b>	<b>-0.04</b>	<b>6.24</b>
	<b>IP set</b>	9612	430365	439977	1.56	109.54	111.10	<b>6.17</b>	68.66	-0.66	68.00
	<b>Grand total</b>	<b>450552</b>	<b>430365</b>	<b>880917</b>	<b>8.96</b>	<b>109.54</b>	<b>118.5</b>		<b>74.94</b>	<b>-0.70</b>	<b>74.24</b>
Jan-20	BJ Energy charges	285503		285503	7.35		7.35	7.61	5.6		5.6
	BJ Min charges	159081		159081	0.19		0.19	60	0.78		0.78
	<b>Total</b>	<b>444584</b>	<b>0</b>	<b>444584</b>	<b>7.54</b>	<b>0</b>	<b>7.54</b>		<b>6.38</b>	<b>0</b>	<b>6.38</b>
	<b>IP set</b>	9653	432037	441690	2.3	269.36	271.66	<b>6.17</b>	167.68		167.68
	<b>Grand total</b>	<b>454237</b>	<b>432037</b>	<b>886274</b>	<b>9.84</b>	<b>269.36</b>	<b>279.20</b>		<b>174.06</b>	<b>0</b>	<b>174.06</b>
Feb-20	BJ Energy charges	292203		292203	7.52		7.52	7.61	5.72		5.72
	BJ Min charges	157762		157762	0.18		0.18	60	0.77		0.77
	<b>Total</b>	<b>449965</b>	<b>0</b>	<b>449965</b>	<b>7.70</b>	<b>0</b>	<b>7.70</b>		<b>6.49</b>	<b>0</b>	<b>6.49</b>
	<b>IP set</b>	9712	434150	443862	3.08	398.99	402.07	<b>6.17</b>	248.07		248.07
	<b>GRAND TOTAL</b>	<b>459677</b>	<b>434150</b>	<b>893827</b>	<b>10.78</b>	<b>398.99</b>	<b>409.77</b>		<b>254.56</b>	<b>0</b>	<b>254.56</b>
Mar-22	BJ Energy charges	297275		297275	7.37		7.37	7.61	5.61		5.61
	BJ Min charges	150648		150648	0.19		0.19	60	0.79		0.79
	<b>Total</b>	<b>447923</b>	<b>0</b>	<b>447923</b>	<b>7.56</b>	<b>0</b>	<b>7.56</b>		<b>6.40</b>	<b>0</b>	<b>6.4</b>
	<b>IP set</b>	9744	436791	446535	4.91	418.01	422.92	<b>6.17</b>	260.94		260.94
	<b>Grand total</b>	<b>457667</b>	<b>436791</b>	<b>894458</b>	<b>12.47</b>	<b>418.01</b>	<b>430.48</b>		<b>267.34</b>	<b>0</b>	<b>267.34</b>
CONSO LIDATED	BJ Energy charges	297275		297275	93.19	0	93.19		70.38	-0.99	69.39
	BJ Min charges	150648		150648	1.93	0.00	1.93		8.52	0	8.52
	<b>Total</b>	<b>447923</b>		<b>447923</b>	<b>95.12</b>	<b>0.00</b>	<b>95.12</b>		<b>78.90</b>	<b>-0.99</b>	<b>77.91</b>
	<b>IP set</b>	9744	436791	446535	35.10	2936.27	2971.37		1826.47	-26.33	1800.14
	<b>Grand total</b>	<b>457667</b>	<b>436791</b>	<b>894458</b>	<b>130.22</b>	<b>2936.27</b>	<b>3066.49</b>		<b>1905.37</b>	<b>-27.32</b>	<b>1878.05</b>



*Ranjana*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections: *nil*

29 NOV 2022





### 3.6 O&M Expenses

The Commission, in its Tariff Order 2021, dated 09.06.2021 had approved the Operation and Maintenance Expenses (O&M Expenses) of **Rs.887.12 Crs.**, O&M Expenses includes, Repair and Maintenance expenses, Employee cost and Administrative and General Expenditure. Commission is approving O&M Expenses through formula on normative basis. Factors contributing for increase in O&M expenses are Inflation index and consumer growth rate. Increases in cost by these indices are reduced to an extent of predetermined efficiency factor of 2%.

For FY-22, to arrive at normative O&M expenses, Commission considered Whole sale Price Index (WPI) as per the data available from the Ministry of Commerce & Industry, Government of India and Consumer Price Index (CPI) as per the data available from the Labour Bureau, Government of India and adopted the methodology followed by CERC with CPI and WPI in a ratio of 80:20, allowing annual escalation rate for FY-21 at 7.9586%.

#### Computation of Normative O&M expenses for FY-22:

##### Weighted inflation index of CPI and WPI:

The Consumer growth index is linked to increase (CAGR) in number of consumers and Efficiency factor. As per the Regulations of the Commission, the O&M cost is a controllable expense and the Licensee is required to work on moving towards efficient cost. Hence, the Commission has set an efficiency factor. Based on all the three factors, the Commission considered the growth in O&M expenses for the control period by applying the formula.

The weighted inflation index of Consumer Price Index (CPI) and Wholesale Price Index (WPI) considered by the Commission is the index adopted by CERC as "Composite Series: Average. We have analyzed the methodology followed by CERC for computation of weighted inflation index.



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No. of Corrections... 0/4

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**CERC Methodology:**

\*\*\* Incorporated as per Tariff Order 2021 \*\*\*

**Annual escalation rate computation**

Year No. (t)	Year	WPI	CPI	% of WPI	% of CPI	Composite series	yt/y1=Rt	Ln Rt	Year -1 (t-1)	Product [(t-1) x
1	2008	80	141.7	20%	80%	129.36				
2	2009	81.9	157.1	20%	80%	142.06	1.10	0.09	1	0.09
3	2010	89.7	175.9	20%	80%	158.66	1.23	0.20	2	0.41
4	2011	98.2	191.5	20%	80%	172.84	1.34	0.29	3	0.87
5	2012	105.7	209.3	20%	80%	188.58	1.46	0.38	4	1.51
6	2013	111.1	232.2	20%	80%	207.98	1.61	0.47	5	2.37
7	2014	114.8	246.9	20%	80%	220.48	1.70	0.53	6	3.20
8	2015	110.3	261.4	20%	80%	231.18	1.79	0.58	7	4.06
9	2016	110.3	274.3	20%	80%	241.50	1.87	0.62	8	4.99
10	2017	114.1	281.2	20%	80%	247.78	1.92	0.65	9	5.85
11	2018	118.9	294.8	20%	80%	259.62	2.01	0.70	10	6.97
12	2019	121.2	317.4	20%	80%	278.16	2.15	0.77	11	8.42
A = Sum of "product" column										38.75
B= 6 times (6 x A)										232.49
C= (n-1) x n x (2n-1);		n = No. of Years of data		12						3036
D = B/C										0.08
g (Exponential Factor) = Exponential (D) -1										0.080
e = Annual Escalation Rate (%) = g x 100										7.958545

As could be seen above for computation of inflation of indices:-

- 12 years past data has been considered
- Composite series data of calendar years are (not financial years) considered.
- WPI and CPI component are considered at 20% and 80% respectively for calculating composite series data.
- The WPI and CPI indices are updated regularly in the following web sites.
- Ministry of Commerce and industry: <http://eaindustry.nic.in/>
- Labour bureau, Gol: <http://www.labourbureau.gov.in/indtab.html>

Hence for determining the normative O&M expenses for FY-22 the annual escalation growth rate of 7.96% was considered.



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No. of Corrections.....*nil*.....  
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Annual Performance Review of FY-22

Particulars	FY-20	FY-21	FY-22
No. of Installations	3294400	3419960	3583588
Weighted inflation index	8.28%	8.26%	7.96%
Consumer Growth index (CGI) Based on 3 years CAGR	3.58%	3.67%	4.23%
Normative O&M expenses excluding P& G Contributions (Rs in Crs)	603.22	662.67	728.48
O&M index = O&M (t-1)*(1+WII+CGI-X)	662.70	728.48	802.71

Efficiency factor, X = 2% for CESC

**Abstract of O & M Expenses:**

(Rs. in Crs)

Sl No	Particulars	FY-21 Actuals	As Approved For FY-22	FY-22 Actuals
1	REPAIRS & MAINTENANCE	73.51	-	71.25
2	EMPLOYEES COSTS	586.24		640.72
3	ADM & GENERAL EXPENSES	102.86		106.59
<b>Total</b>		<b>762.61</b>	<b>887.12</b>	<b>818.56</b>

Approved O&M expenses for FY-22 as per Tariff Order 2021 is Rs.887.12 Crs. However, as per the revised computation considering the weighted inflation index of 7.96% is Rs.802.71 Crs and actual is Rs.818.56 Crs.

**R&M expenses:**

(Rs. in Crs)

SL NO	PARTICULARS	FY-21	FY-22
1	Plant and Machinery	36.60	40.25
2	Transformers: (a) R&M made departmentally (b) R&M by private agencies	0.00	0.00
3	Buildings	13.10	4.62
4	Other civil works	4.23	4.01
5	Lines, Cable Network, etc	19.12	21.83
6	Vehicles	0.13	0.08
7	Office Equipment	0.33	0.45
<b>Total</b>		<b>73.51</b>	<b>71.25</b>



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*K. S. Jeeva*  
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No. of Corrections: *nil*

**Employee cost:**

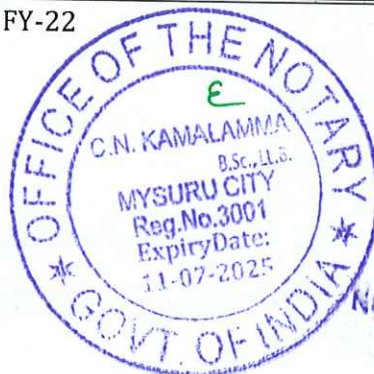
(Rs. in Crs)

SL NO	PARTICULARS	FY 21	FY 22
		Actuals	Actuals
1	Salaries	314.63	311.27
2	Overtime	4.96	6.29
3	Dearness Allowance	34.96	67.61
4	Other Allowances	38.53	40.04
5	Bonus	4.71	4.98
<b>6</b>	<b>Sub-Total (1 to 5)</b>	<b>397.79</b>	<b>430.19</b>
7	Medical expenses reimbursement	3.79	5.99
8	Leave travel Assistance	0.00	0.00
9	Earned Leave Encashment	25.93	35.21
10	Earned Leave Encashment -Rtd., employees	6.99	6.36
11	Payment under Workmen's Compensation Act and Helpers/ Employees of Storm & Monsoon Gang	1.07	1.18
<b>12</b>	<b>Total Other staff costs ( 7 to 11)</b>	<b>37.78</b>	<b>48.74</b>
13	Staff Welfare expenses	1.78	2.27
14	Terminal Benefits	148.89	159.05
<b>15</b>	<b>Sub-total (14 to 15)</b>	<b>150.67</b>	<b>161.79</b>
	<b>Grand Total</b>	<b>586.24</b>	<b>640.72</b>

**Administration and General Charges:**

(Rs. in Crs)

SI No	Particulars	FY 21 Actuals	FY 22 Actuals
1	Rent, Rates and Taxes	2.36	4.11
2	Service tax	0.00	0.00
3	Insurance on fixed assets	0.00	0.00
4	Fringe Benefit Tax	0.00	0.00
5	Pagers, Cellular phones, E-Mail, Telephone etc	2.20	2.15
6	Postage	0.13	0.16
7	Revenue receipt stamps/Computer billing	17.61	16.49
8	Legal charges	0.66	0.73
9	Audit fee	0.09	0.09
10	Consultancy charges	0.53	0.11
11	Technical fee	0.00	0.00



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No. of Corrections... *Nita*





## Annual Performance Review of FY-22

SI No	Particulars	FY 21 Actuals	FY 22 Actuals
12	Other professional charges	43.98	46.38
13	Conveyance & Travel expenses	17.77	18.00
14	Shared expenses of CESC with KPTCL	0.00	0.00
	<b>Sub-total</b>	<b>85.33</b>	<b>88.22</b>
	<b>Other expenses</b>		
15	Fees & subscription (incl. KERC filling charges)	1.31	0.12
16	Books, Periodicals and dairies	0.01	0.01
17	Printing & Stationery	1.32	1.48
18	Factory license fees	0.00	0.00
19	Advertisement expenses	0.14	0.16
20	Computer stationary & floppies	0.21	0.05
21	Contributions	1.21	1.82
22	Electricity charges	1.38	1.33
23	Expenses towards consumer relation/education	0.23	0.04
24	Water charges	-0.01	1.87
25	Revenue expenditure incurred on software	7.73	7.27
26	Miscellaneous expenses (recoveries)	2.43	2.14
	<b>Total other expenses</b>	<b>15.90</b>	<b>16.28</b>
27	Freight & other material related expenditure	0.00	0.00
28	Vehicle running expenses (Store)	0.18	0.26
29	Transaction Charges paid to Revenue collecting agencies	1.13	1.59
30	Expenditure related to EESL for energy savings	0.00	0.00
31	A & G Expenses related to KPTCL /ESCOMS P & G Trust	0.26	0.24
	<b>GRAND TOTAL</b>	<b>102.86</b>	<b>106.59</b>

### 3.7 Depreciation

CESC has calculated the depreciation in accordance with the provisions of the KERC (Terms & Conditions for determination of Tariff) Regulations, 2006 and its amendments.

Depreciation on all assets (except lease hold land and Assets created out of Consumer Contribution and Grants) is provided on straight line method at the rates as prescribed by KERC from time to time. Depreciation on leasehold land is provided for the years on amortization rates arrived at on the basis of the



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lease period. Plant and machinery costing Rs.500/- or less individually is depreciated at 100% in the year in which they are installed and put to use, in accordance with para 2.37 of Annexure-III of ESAAR, 1985. Depreciation is charged from the first year of operation. In case of assets capitalized during the year, depreciation is charged on pro-rata basis.

Depreciation amount of Rs.346.55 Crs is worked out as per annual accounts of FY-22. After deducting an amount of Rs.84.89 Crs as per Ind AS 20, the net depreciation works out to Rs.261.66 Crs.

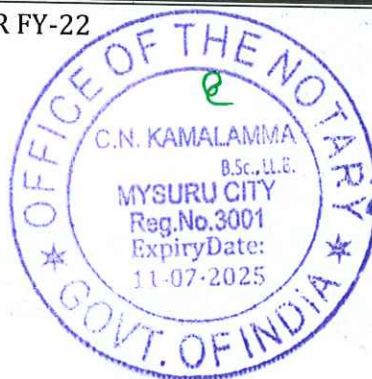
The depreciation is as follows:

(Rs. in Crs)			
SL NO	PARTICULARS	FY-21	FY-22
1	Land and rights	0.06	0.05
2	Building and structures	4.8	5.97
3	Plant and Machinery	54.99	68.80
4	Towers, Poles, fixture, overhead conductors, UG cables and devices	226.18	264.37
5	Hydraulic Works/Civil works	0.23	0.28
6	Other Civil Works	0.13	0.15
	Vehicles	0.51	0.59
8	Furniture Fixtures	3.31	3.47
9	Office Equipment	0.83	0.91
10	Software (intangible asset)	5.91	1.95
11	<b>Total</b>	<b>296.95</b>	<b>346.55</b>
12	Less: Depreciation on asset created out of consumer contribution grant	70.71	84.89
13	Net Depreciation	<b>226.24</b>	<b>261.66</b>

### 3.8 Interest & Finance Charges

As per the MYT regulations, the Hon'ble Commission is allowing the actual interest incurred on the loans borrowed towards creation of capital assets, interest paid towards consumer deposit and interest on working capital on normative basis.

Interest and finance cost of CESC stems from the borrowings for the investment plan together with the short-term cash requirement for day to day operations.



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No. of Corrections...*nik*.....





## Annual Performance Review of FY-22

Interest on WC is worked out on the basis of the methodology suggested by the Commission in the MYT Regulations and the entire amount is apportioned as per the apportionment matrix approved by the Commission in its Tariff Orders. The interest and finance charges payable on existing loans are captured as per the terms and conditions of each loan and in respect of new loans; the interest is as per prevailing rates.

### Interest on Capital Loan:

The status of opening and closing balances of capital loans (secured & unsecured) and the interest on capital loans is as follows,

(Rs. in Crs)	
PARTICULARS	FY-22
Opening balance of long-term secured & unsecured loans	1251.67
Add: New Loans	1255.22
Less: Repayments	205.46
Total Loan at the end of the year	2301.43
Average loan	1776.55
Weighted average rate of interest on loans in %	8.12%
<b>Interest on Capital loans</b>	<b>144.30</b>

For working out the interest on capital loans, the interest free Government loan of Rs.600 Crores is not considered.

### Interest on Working Capital:

The expenses incurred towards interest and finance charges stemming from the borrowings for the investment plan together with the short-term cash requirement for day-to-day requirements is as follows;

(Rs. in Crs)	
PARTICULARS	FY-22
One twelfth of the amount of O&M expenses	68.21917
Opening GFA as per audited accounts	5791.17
Store, materials and supplies-1% of opening balance	57.91
One sixth of the revenue	812.40
Total Working Capital	938.50
<b>Interest on Working Capital</b>	<b>110.16</b>



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No. of Corrections..... Nil

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**Interest on Consumer Deposits:**

The actual interest paid towards the consumer security deposits is as follows,

(Rs. in Crs)

PARTICULARS	FY-22
Opening Balance of Consumer Deposits	782.52
Closing Balance of Consumer Deposits	872.88
<b>Interest on consumer security deposit</b>	<b>29.40</b>

**Other Interest and Finance charges:**

The other interest and finance charges paid to banks/financial institutions to raise loans for FY-22 including the guarantee commission paid to GoK is as follows,

(Rs. in Crs)

PARTICULARS	FY-22
Other interest & finance charges	3.20
Guarantee Commission to GoK	9.50
<b>Total</b>	<b>12.70</b>

**Interest on belated payment of Power Purchase Cost:**

In FY-22, CESC has paid Rs.57.04 Crs towards the interest on belated payment of power purchase cost.

The additional power purchase cost on account of change in Law during FY-22 is included in the belated payment of power purchase cost. The details is as below;

Sl.No	Name of The Firm	Amount in Rs.	Remarks
1	Gaviranga Solar Pvt Ltd	91,74,669.00	Carrying Cost on Differential Tariff arrears from 07/2017 to 03/2022.Accounted in FY-22
	<b>Total</b>	<b>91,74,669.00</b>	

CESC request the Hon'ble Commission to consider the amount of Rs.0.92Crs in the annual performance review of FY-22.



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No. of Corrections... Nil

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**Capitalization of interest and finance charges:**

The capitalization of interest on capital loan for FY-22 is Rs.6.80 Crores.

The abstract showing **the Interest & finance charges for FY-22** is as follows:

	(Rs. in Crs)
Interest on Capital loans	144.30
Interest on Working capital loans	110.16
Interest on belated payment on PP Cost	57.04
Interest on consumer security deposit	29.40
Other interest & Finance charges	12.70
Less : interest & other expenses capitalised	-6.80
<b>Net Total Interest &amp; Finance charges</b>	<b>346.80</b>

**3.9 Other Debits**

Company has incurred loss by writing off certain losses incurred in the business due to wear and tear and obsolete equipment. The details are as follows. CESC prays to allow the expenditure, since it is actually written off.

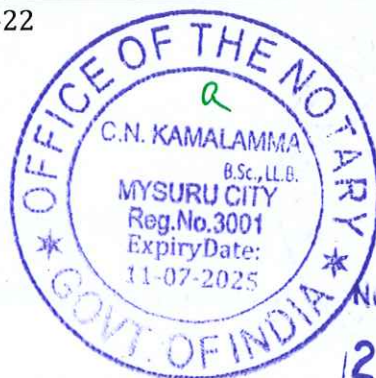
PARTICULARS	(Rs. in Crs)	
	FY 21 ACTUALS	FY 22 ACTUALS
Small and Low value items written off	0.03	0.02
Computer Rentals/Maintenance charges	0.00	0.00
Losses/gains relating to Fixed assets	0.14	1.11
Assets decommissioning cost	1.46	0.74
Bad debts written off	0.32	0.30
Provisions for bad and doubtful debts	4.71	-0.21
Miscellaneous losses and write offs	3.08	7.34
Material cost variance	0.00	0.00
Others	0.12	0.89
<b>Grand Total</b>	<b>9.86</b>	<b>10.18</b>

**3.10 Return on equity:**

Due to negative net-worth, RoE has not been calculated

**3.11 Net prior period credits / charges:**

As per IND AS accounting standards the prior period credits/charges is not considered.



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### 3.12 Taxes on Income

In the MYT application for all the years of the control period, the company's books show accumulated losses & hence no provision has been made for taxes. If any taxes are payable /paid the same will be claimed as per actuals.

### 3.13 Non-tariff income, income from other business

In FY-22, CESC has earned other income through various items which is indicated as below:

(Rs. In Crs)	
Particulars	FY 22 Actuals
Interest on Bank fixed deposits	1.42
Profit on sale of stores	0.22
Sale of Scrap	9.08
Other Misc. Receipts from trading	0.01
NEF Subsidy Received-REC towards repayment of Interest on Capex loan	30.19
Rental from Staff Quarters	1.86
Rental from others	0.92
Excess found on physical verification of stock	0.12
Commission for collection of electricity duty	1.07
Misc. recoveries	136.13
Incentives received	13.96
One Time maintenance cost for New Layouts	1.64
Supervision Charges	11.51
Depreciation withdrawn from Contribution/grants as per AS-12	84.89
<b>Sub Total</b>	<b>293.03</b>
<b>Less: Depreciation withdrawn from Contribution/grants as per AS-12</b>	<b>84.89</b>
<b>Total</b>	<b>208.14</b>

The depreciation withdrawn from contribution/grants as per Accounting Standards-12 is deducted in the other income.



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No. of Corrections...*nil*.....

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### 3.14 Expenditure summary

Summary of CESC expenses are as follows:

(Rs. in Crs)

Particulars	FY 22 Actuals
Power Purchase	4027.70
R&M Expenses	71.25
Employee Expenses	640.79
A&G Expenses	106.59
Depreciation	261.66
Interest & Finance Charges	346.8
Other Debits (excluding Prov for Bad debts)	10.18
<b>Total Expenditure</b>	<b>5464.97</b>
Less Non-Tariff Income	-208.14
<b>Annual Revenue Requirement</b>	<b>5216.83</b>

### 3.15 ABSTRACT OF ANNUAL REVENUE REALIZATION (ARR) FOR FY22:

Based on the above analysis, the summary of ARR (after sharing of efficiency gains & losses) for the Wires Business and Supply Business, as per Audited Account and as approved by the Hon'ble Commission, for FY-22 is placed in the table below for truing up.

Sl No.	Particulars	As Approved for FY-22	Actuals of FY-22
1	Energy @ Gen Bus in MU	7866.43	8390.87
2	Energy @ Interface in MU	7632.17	7537.42
3	Sales in MU:		
	Sales to other than IP & BJ/KJ	3651.51	3617.70
	Sales to BJ/KJ	95.33	95.12
	Sales to IP	3064.87	2971.38
	<b>Total Sales in MU</b>	<b>6811.71</b>	<b>6684.20</b>
4	<b>Revenue at existing tariff in Rs Crs</b>		
	Revenue from tariff and Misc Charges	3046.46	2996.16
	Tariff subsidy in BJ/KJ	69.5	77.90
	Tariff subsidy in IP	1860.38	1800.14



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No. of Corrections *AK*.....

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Annual Performance Review of FY-22

SI No.	Particulars	As Approved for FY-22	Actuals of FY-22
	<b>Total Existing Revenue</b>	<b>4976.33</b>	<b>4874.20</b>
	<b>Expenditure in Rs Crs</b>		
	Power purchase cost	3510.22	3529.33
5	Transmission charges of KPTCL	490.92	494.39
	SLDC charges	3.98	3.98
	<b>Power purchase cost including cost of transmission</b>	<b>4005.12</b>	<b>4027.70</b>
	Repairs & Maintenance		71.25
6	Employee Cost	<b>887.12</b>	640.72
	Admin & General Expenses		106.59
	<b>Total O&amp;M Expenses</b>		<b>818.56</b>
7	Depreciation	198.72	261.66
	<b>Interest and Finance charges</b>		
	Interest on Capital loans	146.8	144.30
	Interest on Working capital loans	105.22	110.16
8	Interest on belated payment on PP Cost	0	57.04
	Interest on consumer security deposit	36.78	29.40
	Other interest & Finance charges	0	12.70
	Less : interest & other expenses capitalised	-12	-6.80
	<b>Net Total Interest &amp; Finance charges</b>	<b>276.8</b>	<b>346.80</b>
9	Other Debits	0	10.18
10	Funds towards Consumer Relations/ Consumer Education	0.5	0.00
11	Other Income	-77.67	-208.14
12	<b>ARR</b>	<b>5367.43</b>	<b>5256.77</b>
13	Surplus/deficit for FY20 carried forward	187.07	0.00
14	<b>Net ARR</b>	<b>5180.69</b>	<b>5256.77</b>
15	<b>Surplus/Deficit</b>	<b>0</b>	<b>-382.57</b>

**Note:** As per the Audited Accounts for FY-22, the regulatory asset is arrived at Rs.40.27 Crs. For truing up of FY-22, the regulatory asset is not considered as per the MYT regulations.



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No. of Corrections... *nil* .....





**Carrying Cost on Regulatory Asset for FY-22:**

In the Tariff Order 2020 dated: 04.11.2020,

"Due to the postponement of the recovery of the revised tariff, out of the projected additional revenue of Rs.264.56 Crores from the revision of tariff, the Commission decides to create the unrecovered portion of revenue gap of seven months amounting to Rs.154.33 Crores of FY-21 as Regulatory asset to be recovered in the tariff over the next two years (FY-22 and FY-23). The Commission also decides to allow carrying cost at 10% per annum (based on current MCLR plus reasonable Basis points) on the amount of Regulatory Asset which will be assessed at the time of the Annual Performance Review (APR) of FY22 and FY23"

**In this regard, CESC requests the Hon'ble Commission to consider the carrying cost at 10% per annum on the regulatory asset amounting to Rs.154.33 Crs.**

**Average Cost of Supply:**

Commission determined the average cost of supply at Rs.7.61 per unit for FY-22. Actual Average Cost of Supply is tabulated below:

Particulars	FY-22	
	Approved	Actual
Net ARR (in Crs.)	5180.69	5256.77
Sales (MU)	6811.71	6684.20
Average Cost of Supply (Rs./unit)	7.61	7.86

Considering Aggregate Revenue Requirement and total Revenue, the revised gap works out to a Deficit of Rs.382.57 Crs against the surplus of Rs.187.07 Crs approved by the Hon'ble Commission in Tariff Order 2021 dated: 09.06.2021. CESC Mysuru requests the Hon'ble Commission to carry forward to FY-24.



29 NOV 2022

No. of Corrections.....*nl*.....

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## 4. Annual Revenue Requirement for FY-24 (2nd year of 6th Control period)

In exercise of powers conferred on it by Section 61 read with Section 181 of the Electricity Act 2003 (No. 36 of 2003), the Karnataka Electricity Regulatory Commission has issued the Regulations called 'The Karnataka Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Distribution and Retail Sale of Electricity) Regulations, 2006'. As per KERC order No. D/01/06 dated 31st May 2006, MYT framework has been introduced both for transmission and distribution effective from FY-08. This has been done with a view to comply with the provisions of Section 61 of the Electricity Act 2003.

For the 6<sup>th</sup> Control Period commencing from FY-23 to FY-25, CESC has filed the MYT application on 29-11-2021. The Hon'ble Commission vide Tariff Order 2022 dated: 04.04.2022, has approved the Annual Revenue Requirement for the 6<sup>th</sup> Control Period commencing from FY-23 to FY-25.

The Base year for the 6<sup>th</sup> Control Period is FY-21, hence in the Annual Revenue Requirement for FY-24, there is variation in the actual energy requirement, power purchase cost and asset base to the approved level. This variation in the power procurement plan and cost warrants for seeking modification for Annual Revenue Requirement for FY-24 i.e. for 2<sup>nd</sup> year of 6<sup>th</sup> control period.

As per the letter of the Hon'ble KERC vide no: KERC/DD(Tariff)/02/2022/FTS-1147/1107 dated: 21.10.2022, the Hon'ble Commission has directed to file application for revision of Annual Revenue Requirements/Tariff for FY24, on or before 30<sup>th</sup> Nov 2022, to the Commission's Office.

Based on the above, CESC seeks modification for FY-24.

### Distinct business carried on by the company

As per the license, CESC is carrying on two distinct businesses that have different characteristics, risk and reward profile. The revenue, expenses and returns from a "wires" business would be stable and would have little volatility as compared to that of the "retail supply business". A point to consider is the long



29 NOV 2022

No. of Corrections... nil

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term capital requirement vis-à-vis the short term working capital requirement. In a "wires" business, capex would form a substantial part whereas short term working capital would be very high in the "retail supply business". "Retail Supply" can return a high loss, if the energy lost in the system is uncontrolled whereas the 'wires' is more stable, as the network generally, under normal operating conditions, rarely fails.

Generally, "wires" is considered a natural monopoly – it would indeed be very costly and unnecessary to duplicate the wires that carry the energy across geography and may be physically impossible, whereas the "retail supply" portion of the business can support multiple players. In the case of allowing multiple suppliers, the "cost" of accessing the "wires" becomes important.

Further, the competition in "Retail Supply business" is what is being pushed through the Electricity Act 2003, through the operation of "open access" policy. Given this, Accounting Standard 17 and the Regulatory action, it could be reasonably concluded that the two business needs to be separated across revenues, costs, assets and liabilities.

Currently there's no comprehensive Regulatory Accounting Guideline on this account from KERC. However, one can use reasonable interpretation of the Accounting Standard AS 17 and the general practice of "relevant Costing" approach to segregate the two businesses. This can be considered as a long term solution. However, as a short term solution for the MYT filing for sixth control period the assets and costs need to be segregated as relating to wires and supply business as it is one of key elements of MYT filing.

### Segregation of distribution and retail supply business:

The factors considered for the Calculation of Aggregate Revenue requirement for Distribution business (wire Business) and Retail supply business are as follows:

The functions pertaining to Distribution business as considered by CESC include:

1. Management and maintenance of distribution network including substations, lines, transformers and other network equipment.
2. Capital expenditure on distribution network for network expansion as well as loss reduction.
3. Providing new connections to the distribution network



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No. of Corrections.....

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4. Financing, accounting and management functions pertaining to the distribution business.

The functions pertaining to the Retail Supply business include:

5. Procurement of power from generators.
6. Sale of power to consumers.
7. Contracting for transmission and Load Dispatch Centers services.
8. Meter reading and billing.

The details of segregation of ARR into wires business and supply business are as below:

PARTICULARS	Wires	Supply	Total
Power Purchase	0%	100%	100%
O&M	49%	51%	100%
Depreciation	84%	16%	100%
Interest on Loans	100%	0%	100%
Interest on Consumer Deposits	0%	100%	100%
RoE	75%	25%	100%
Gross Fixed Assets	84%	16%	100%
Non-tariff income	2%	98%	100%

#### Contents of Revision of Tariff filing

As per the KERC regulations following are the contents of Revision of Tariff Filing.

##### ARR for Distribution Business:

The ARR for Distribution Business contains

- The Operation and Maintenance (O&M) costs which include employee-related costs, repairs & maintenance costs and administrative & general costs, estimated for the Base Year and the actuals for the previous two years prior to the Base Year in complete detail, together with the forecast for FY-24, based on the norms proposed by CESC Mysuru including indexation and other appropriate mechanisms.
- Detailed scheme/project-wise Capital Investment Plan with a capitalization schedule covering for FY-24.



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No. of Corrections... *Nil* .....





## Annual Revenue Requirement for FY-24

- A proposal for appropriate capital structure to meet the capital investment plan with details of cost of financing including interest cost on debt and return on equity.
- Range of Distribution losses (upper and lower) for FY-24, for the purpose of incentive / penalties. CESC Mysuru has filed a trajectory of the loss levels in respect of technical and commercial losses for FY-24, backed up by proper studies to justify the loss levels indicated.
- Details of depreciation and capitalization schedule for FY-24.
- Description of external parameters proposed for indexation.
- Details of taxes on income.
- Any other relevant expenditure.
- Proposals for sharing of gains and losses.
- Proposals for efficiency parameter targets.
- Expected revenue from charges at the existing tariff including non-tariff income and
- Any other matters considered appropriate.

### ARR for Retail supply Business:

The ARR for Retail Supply Business contains;

1. Power purchase costs for FY-24.
2. All other items mentioned for the distribution business to the extent applicable and in accordance with the cost allocation statement.
3. Expected revenue from charges at the existing tariff including non-tariff income, tariff from wheeling/open access transactions of electricity, income from Other Business, Receipts on account of cross-subsidy surcharge and additional surcharge if any.
4. Perspective Plan: For FY-23 & FY24, the perspective plan contains the following:
  - Sales Forecast
  - Power Procurement Plan
  - Capital investment Plan prepared in accordance with the practice directions issued in respect of capital investment program and also consistent with the Guidelines on Load Forecast.



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No. of Corrections.....*N/A*.....

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## 4.1 Sales Forecast

Forecasting energy sales at the beginning of the control period is the fundamental task of an electricity distribution licensee. The CESC, Mysuru has taken steps to project the demand for both short and long term. Short term demand forecast helps in calculating the short term power requirement and gives us the guidance to plan the procurement of power for the same. The ability to forecast the long-term demand for electricity is a fundamental prerequisite for the development of a secure and economic power system. The Commission has issued guidelines for preparation of Load Forecast and Power Procurement Plan through the KERC (Load forecast) Regulations, 2009.

### Key categories considered for sales forecast

Following consumer categories have been considered for the sales forecast from FY-23 & FY-24.

- Domestic (including BJ/KJ)
- Commercial
- Public lighting
- Public Water works
- Irrigation
- EV charging
- Temporary
- Others

### Forecasting Methods Used

The Commission vide the regulations has directed the Distribution Licensees to follow the Forecast methodology adopted by CEA from time to time, so as to have a consistent methodology. There are many reliable statistical methods available to project the future demand. Consumer growth and Energy sales for the year FY-23 (Current financial year) and then for FY-24 is estimated by considering the following:

- a) 3 year CAGR (FY-19 to FY-22)
- b) 5 year CAGR (FY-17 to FY-22)
- c) Growth over the previous year (FY-21 & FY-22)



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No. of Corrections.....*nil*.....





**CAGR Method:**

In the method of "Compounded Annual Growth Rate" (CAGR), the average growth rate is calculated from base year to the current year by considering the data from base year and the current year.

The formula for calculating the CAGR is:

$$\left(\frac{\text{Current Value}}{\text{Base Value}}\right)^{\frac{1}{\text{Number of Datapoints}}} - 1$$

**Projection of Energy Sales & Installations for FY-23 & FY-24:**

As per Regulation No. 2.5.2, the ARR for Retail Supply Business shall be expected revenue from charges at the existing tariff. In order to estimate ERC, the accurate sale forecast is necessary. The energy sales for FY-23 & FY-24 depends upon the population, policies of the Government, the various schemes under implementation, the number of hours of supply available to consumers and other impacts. These facts have an impact on growth of installations. CESC, Mysuru has analysed the growth of installations in the area of supply for the period from FY-17 to FY-22. Due to various reasons, some of the installations across the categories are disconnected. This fact is also considered in estimation of sale forecast. In order to have accurate sale forecast, year-end and mid-year number of installations and total energy sold across the categories during respective year is reviewed to ascertain the growth.

**Projection of Installations:**

The number of Installations as at the end of each year for the last 6 years from FY-17 to FY-22 is as follows:

CATEGORY	FY17	FY18	FY19	FY20	FY21	FY22
LTI up to 40 units	367500	469993	464785	464339	459198	447923
LT1> 40 units	129289	25731	28170	27842	32717	41739
LT2a	1772844	1827944	1893800	1979375	2049315	2146607
LT2b	2971	3042	3133	3222	3265	3596
LT3	226005	236690	246207	256984	268306	285206
LT4a	338682	359021	378274	396699	423695	446535
LT4b	195	206	335	217	209	226
LT4c	6906	7806	8659	9464	10138	11004



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No. of Corrections.....*hu*.....

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Annual Revenue Requirement for FY-24

CATEGORY	FY17	FY18	FY19	FY20	FY21	FY22
LT5	38835	40315	41800	43089	44130	49015
LT6 WS	24228	26350	27999	29366	30314	31507
LT6 SL	21194	22085	23552	24504	25522	26695
LT7	34307	38535	45885	56627	70320	90427
<b>LT TOTAL</b>	<b>2962956</b>	<b>3057718</b>	<b>3162599</b>	<b>3291728</b>	<b>3417129</b>	<b>3580480</b>
HT-1	125	148	160	171	178	192
HT2a	876	961	996	1070	1129	1244
HT2b	566	610	652	733	776	855
HT2c	237	256	282	307	326	352
HT3 a&b	90	92	98	104	109	124
HT4	12	13	15	22	28	41
HT5	18	24	18	21	41	52
<b>HT TOTAL</b>	<b>1924</b>	<b>2104</b>	<b>2221</b>	<b>2428</b>	<b>2587</b>	<b>2860</b>
Station Auxiliary	-	-	-	244	244	248
<b>TOTAL</b>	<b>2964880</b>	<b>3059822</b>	<b>3164820</b>	<b>3294156</b>	<b>3419960</b>	<b>3583588</b>

The Compounded Annual Growth Rate (CAGR) for 5 years, 3 years and the growth over the previous year is as follows,

CATEGORY	5 YEAR CAGR	3 YEAR CAGR	GROWTH OVER THE PREVIOUS YEAR
LT1<40 units	4.04%	-1.22%	-2.46%
LT1>40 units	-20.24%	14.00%	27.58%
LT2a	3.90%	4.27%	4.75%
LT2b	3.89%	4.70%	10.14%
LT3	4.76%	5.02%	6.30%
LT4a	5.68%	5.69%	5.39%
LT4b	2.99%	-12.30%	8.13%
LT4c	9.77%	8.32%	8.54%
LT5	4.77%	5.45%	11.07%
LT6 WS	5.39%	4.01%	3.94%
LT6 SL	4.72%	4.26%	4.60%
LT7	21.39%	25.37%	28.59%
<b>LT TOTAL</b>	<b>3.86%</b>	<b>4.22%</b>	<b>4.78%</b>
HT-1	8.96%	6.27%	7.87%



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No. of Corrections.....*nil*.....



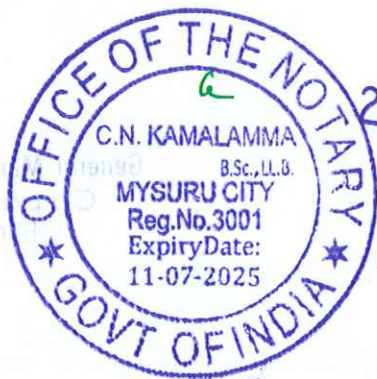


Annual Revenue Requirement for FY-24

CATEGORY	5 YEAR CAGR	3 YEAR CAGR	GROWTH OVER THE PREVIOUS YEAR
HT2a	7.27%	7.69%	10.19%
HT2b	8.60%	9.46%	10.18%
HT2c	8.23%	7.67%	7.98%
HT3 a&b	6.62%	8.16%	13.76%
HT4	27.86%	39.82%	46.43%
HT5	23.64%	42.42%	26.83%
<b>HT TOTAL</b>	<b>8.25%</b>	<b>8.79%</b>	<b>10.55%</b>
<b>Total</b>	<b>3.86%</b>	<b>4.23%</b>	<b>4.78%</b>

The number of installations at the end of first half year (April to September) for the last 7 years is as follows;

CATEGORY	FY17 1/4/16 TO 30/09/16	FY18 1/4/17 TO 30/09/17	FY19 1/4/18 TO 30/09/18	FY20 1/4/19 TO 30/09/19	FY21 1/4/20 TO 30/09/20	FY22 1/4/21 TO 30/09/21	FY23 1/4/22 TO 30/09/22
LTI<40 units	496780	498161	493733	446261	451375	449449	445124
LT1>40 units				44860	40662	41712	43018
LT2a	1734513	1799584	1855649	1937516	2006598	2086226	2174636
LT2b	2860	3000	3086	3180	3244	3271	3595
LT3	219499	231343	241193	251109	261071	273990	292148
LT4a	324468	348301	366691	386789	410116	437147	458259
LT4b	196	198	211	207	207	207	222
LT4c	6568	7346	8283	9016	9777	10525	11317
LT5	37793	39572	40999	42332	43652	45754	49787
LT6 WS	22745	25147	27092	28741	29826	30575	31961
LT6 SL	21149	21734	22907	23929	24992	25788	27012
LT6 EV	-	-	-	-	-	-	7
LT7	32948	34868	43358	50347	64958	69488	96760
<b>LT TOTAL</b>	<b>2899519</b>	<b>3009254</b>	<b>3103202</b>	<b>3224287</b>	<b>3346478</b>	<b>3474132</b>	<b>3633846</b>
HT-1	122	140	154	165	175	183	197
HT2a	851	928	974	1027	1087	1169	1301
HT2b	541	581	628	688	753	806	885
HT2c	227	252	265	298	313	334	366
HT3 a&b	87	90	96	100	107	114	130
HT4	11	12	14	17	24	30	48
HT5	16	21	23	19	32	43	62
<b>HT TOTAL</b>	<b>1855</b>	<b>2024</b>	<b>2154</b>	<b>2314</b>	<b>2491</b>	<b>2679</b>	<b>2989</b>
Station Auxilliary	-	-	-	233	244	247	248
<b>Total</b>	<b>2901374</b>	<b>3011278</b>	<b>3105356</b>	<b>3226834</b>	<b>3349213</b>	<b>3477058</b>	<b>3637083</b>
<b>Growth Over Previous Year</b>	<b>3.50%</b>	<b>3.79%</b>	<b>3.12%</b>	<b>3.91%</b>	<b>3.79%</b>	<b>3.68%</b>	<b>4.60%</b>



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No. of Corrections..... *NR*

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**Projected Installation growth for FY-23 & FY-24:**

CATEGORY	GROWTH CONSIDERED FROM	% GROWTH CONSIDERED	FY-23		FY-24	
			Approved by KERC	Estimated	Approved by KERC	Projected
LT1<40 units	Growth not considered, at present there are no schemes for BJ/KJ	0.00%	448285	445124	445124	445124
LT1>40 units		0.00%	44869	43018	43018	43018
LT2a	3 year CAGR	4.27%	2208908	2238165	2293325	2333628
LT2b	3 year CAGR	4.70%	3519	3765	3604	3942
LT3	3 year CAGR	5.02%	292874	299533	306201	314580
LT4a	5 year CAGR	5.39%	461637	470611	480637	494687
LT4b	5 year CAGR	2.99%	236	233	237	240
LT4c	5 year CAGR	9.77%	11905	12079	12989	13259
LT5	3 year CAGR	5.45%	49355	51687	50865	54504
LT6 WS	3 year CAGR	4.01%	33283	32771	35340	34086
LT6 SL	5 year CAGR	4.72%	27692	27956	29060	29276
LT6 EV			0	20	0	175
LT7	3 year CAGR	25.37%	89710	113372	101326	142140
<b>LT TOTAL</b>			<b>3672274</b>	<b>3739854</b>	<b>3738334</b>	<b>3908659</b>
HT-1	5 year CAGR	8.96%	207	209	224	228
HT2a	3 year CAGR	7.69%	1345	1340	1420	1443
HT2b	3 year CAGR	9.46%	900	936	968	1025
HT2c	5 year CAGR	8.23%	386	381	420	412
HT3 a&b	3 year CAGR	8.16%	128	134	135	145
HT4	5 year CAGR	46.43%	39	52	44	66
HT5	5 year CAGR	23.64%	63	64	78	79
<b>HT TOTAL</b>			<b>3069</b>	<b>3116</b>	<b>3288</b>	<b>3398</b>
Station Auxiliary				260		270
<b>Total</b>			<b>3675343</b>	<b>3743230</b>	<b>3741710</b>	<b>3912327</b>

**Analysis for projection of number of installations:**

The total number of BJ/KJ installations as on 30.09.2022 is retained, as there are no new services under BJ/KJ scheme.

For the following tariff categories, 3 year CAGR is considered for projecting the growth of installation for FY-23 & FY-24;



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No. of Corrections.....*nil*.....





### Annual Revenue Requirement for FY-24

➤ LT-2(a)- Domestic	:	4.27%
➤ LT-2(b)-Pvt Educational Institutions	:	4.70%
➤ LT-3- Commercial	:	5.02%
➤ LT-5- Industrial	:	5.45%
➤ LT-6a- Water Supply	:	4.01%
➤ LT-7- Temporary	:	25.37%
➤ HT-2a- Industrial	:	7.69%
➤ HT-2b- Commercial	:	9.46%
➤ HT- 3a&b- Lift Irrigation& Agricultural Farms	:	8.16%

For the following tariff categories, 5 year is considered for projecting the growth of installation for FY-23 & FY-24,

➤ LT-4(a)- IP set (below10 HP)	:	5.39%
➤ LT-4(b)- IP set (above10 HP)	:	2.99%
➤ LT-4(c)- Coffee & Tea Plantation	:	5.39%
➤ LT-6b- Public Lighting	:	4.72%
➤ HT-1- Water Supply	:	8.96%
➤ HT-2c- Private Hospitals & Educational Institutions	:	8.23%
➤ HT-4- Residential	:	27.86%
➤ HT-5- Temporary	:	23.64%

LT6(c)-EV charging stations: There are 07 no's of electric vehicle charging stations as on 30.09.2022. For FY-22, it is estimated that the EV installations may commission up to 20no's. Under the State Budget 2021, the Hon'ble CM, GoK has announced 1000 no's of EV charging stations in the State under Public-Private Partnership (PPP) model. CESC has been allocated 155 no's of stations under this model. Hence, for FY-24, 175 no's of EV charging stations is projected.  
Projection of Energy Sales:



29 NOV 2022

No. of Corrections.....N.....

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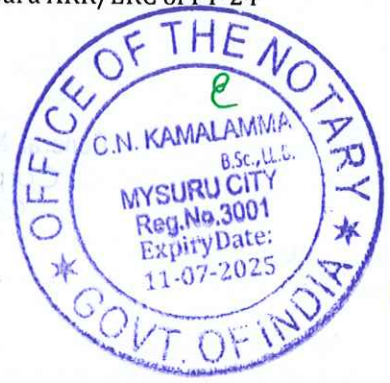
**Annual Revenue Requirement for FY-24**

Energy Sales as at the end of each year for the last 6 years from FY-17 to FY-22 is as follows:

CATEGORY	FY17	FY18	FY19	FY20	FY21	FY22
LTI<40 units	35.19	92.23	100.21	97.79	98.91	95.12
LT1>40 units	66.99	29.60	30.07	34.34	30.77	29.27
LT2a	942.86	964.31	981.90	1020.50	1074.06	1109.25
LT2b	8.97	9.62	9.77	10.32	6.55	7.91
LT3	274.45	289.24	298.45	320.75	283.71	317.07
LT4a	3143.13	2540.15	2885.52	2934.98	2948.86	2971.38
LT4b	1.02	0.73	0.75	0.85	1.34	1.02
LT4c	17.56	19.87	20.05	19.29	19.99	19.20
LT5	140.59	140.60	146.04	151.16	150.24	167.36
LT6 WS	220.22	236.83	250.53	262.12	265.33	276.55
LT6 SL	103.51	111.20	117.48	121.67	116.50	117.44
LT7	14.32	16.07	17.63	18.18	16.11	17.41
<b>LT TOTAL</b>	<b>4968.82</b>	<b>4450.45</b>	<b>4858.41</b>	<b>4991.94</b>	<b>5012.37</b>	<b>5129.00</b>
HT-1	418.24	422.09	445.06	464.48	471.25	497.33
HT2a	634.73	669.15	765.28	665.31	576.80	754.19
HT2b	117.24	121.53	132.38	133.13	86.19	103.87
HT2c	48.07	49.85	51.21	55.22	44.27	53.42
HT3 a&b	66.02	73.27	92.17	84.45	99.35	130.65
HT4	3.73	3.61	4.15	4.15	3.79	4.17
HT5	3.42	3.25	1.90	2.62	3.40	6.13
<b>HT TOTAL</b>	<b>1291.45</b>	<b>1342.75</b>	<b>1492.14</b>	<b>1409.36</b>	<b>1285.05</b>	<b>1549.75</b>
Station Auxiliary	5.04	4.92	5.02	5.25	5.40	5.45
<b>Total</b>	<b>6265.32</b>	<b>5798.12</b>	<b>6355.57</b>	<b>6406.55</b>	<b>6302.82</b>	<b>6684.20</b>

The Compounded Annual Growth Rate (CAGR) for 5 years, 3 years and the growth over the previous year is as follows,

CATEGORY	5 YEAR CAGR	3 YEAR CAGR	GROWTH OVER PREVIOUS YEAR
LTI<40 units	22.00%	-1.72%	-3.83%
LT1>40 units	-15.26%	-0.89%	-4.87%
LT2a	3.30%	4.15%	3.28%
LT2b	-2.47%	-6.79%	20.84%
LT3	2.93%	2.04%	11.76%
LT4a	-1.12%	0.98%	0.76%



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No. of Corrections... *nil*





Annual Revenue Requirement for FY-24

CATEGORY	5 YEAR CAGR	3 YEAR CAGR	GROWTH OVER PREVIOUS YEAR
LT4b	0.02%	10.52%	-24.12%
LT4c	1.80%	-1.43%	-3.93%
LT5	3.55%	4.65%	11.39%
LT6 WS	4.66%	3.35%	4.23%
LT6 SL	2.56%	-0.01%	0.81%
LT7	3.98%	-0.42%	8.08%
<b>LT TOTAL</b>	<b>0.64%</b>	<b>1.82%</b>	<b>2.33%</b>
HT-1	3.52%	3.77%	5.53%
HT2a	3.51%	-0.49%	30.75%
HT2b	-2.39%	-7.77%	20.52%
HT2c	2.13%	1.42%	20.67%
HT3 a&b	14.63%	12.33%	31.50%
HT4	2.24%	0.18%	10.06%
HT5	12.34%	47.86%	80.19%
<b>HT TOTAL</b>	<b>3.71%</b>	<b>1.27%</b>	<b>20.60%</b>
Station Auxiliary	1.58%	2.75%	0.94%
<b>Total</b>	<b>1.30%</b>	<b>1.69%</b>	<b>6.05%</b>

The actual sales in MUs as at the end of first half year (April to September) for the last 7 years is as follows;

CATEGORY	FY17 1/4/16 TO 30/09/16	FY18 1/4/17 TO 30/09/17	FY19 1/4/18 TO 30/09/18	FY20 1/4/19 TO 30/09/19	FY21 1/4/20 TO 30/09/20	FY22 1/4/21 TO 30/09/21	FY23 1/4/22 TO 30/09/22
LT1<18/40 units	51.34	59.79	62.35	49.55	49.60	49.16	45.78
LT1>18/40 units				20.38	18.24	15.25	12.26
LT2a	485.99	499.83	498.47	531.22	586.39	586.59	571.91
LT2b	4.36	4.81	4.77	5.12	3.32	3.54	5.16
LT3	139.58	147.7	148.37	164.45	135.06	150.16	182.54
LT4a	1352.17	1148.02	1236.56	1497.85	1363.93	1555.8	1197.65
LT4b	0.36	0.24	0.33	0.45	0.96	0.39	0.27
LT4c	7.08	8.7	8.09	9.81	11.21	10.45	7.97
LT5	72.2	69.75	72.06	75.56	70.36	80.9	87.79
LT6 WS	101.5	115.82	122.12	135.81	136.11	139.55	132.89
LT6 SL	48.89	54.68	57.3	61.76	57.41	57.64	49.46
LT6 EV	-	-	-	-	-	-	0.03
LT7	6.78	7.76	8.27	9.40	5.71	8.35	8.91



29 NOV 2022

*K. J. J. J.*  
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Corporate Office,  
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No. of Corrections...*h*.....



Annual Revenue Requirement for FY-24

CATEGORY	FY17 1/4/16 TO 30/09/16	FY18 1/4/17 TO 30/09/17	FY19 1/4/18 TO 30/09/18	FY20 1/4/19 TO 30/09/19	FY21 1/4/20 TO 30/09/20	FY22 1/4/21 TO 30/09/21	FY23 1/4/22 TO 30/09/22
<b>LT TOTAL</b>	<b>2270.25</b>	<b>2117.1</b>	<b>2218.69</b>	<b>2561.35</b>	<b>2438.31</b>	<b>2657.78</b>	<b>2302.61</b>
HT-1	212.19	209.98	220.95	231.48	231.20	247.33	262.25
HT2a	362.47	326.05	431.18	353.30	240.28	389.76	431.84
HT2b	60.12	61.04	66.36	69.26	37.24	48.45	68.84
HT2c	24.72	25.3	26.95	28.94	22.00	26.66	31.63
HT3 a&b	24.53	14.26	30.78	33.78	18.48	40.23	27.66
HT4	1.92	1.78	2.13	2.21	1.94	2.08	2.12
HT5	2.36	2.09	1.28	1.96	1.50	2.9	3.25
<b>HT TOTAL</b>	<b>688.31</b>	<b>640.5</b>	<b>779.63</b>	<b>720.93</b>	<b>552.64</b>	<b>757.41</b>	<b>827.58</b>
Station Auxiliary	2.52	2.46	2.51	2.60	1.72	1.26	2.03
<b>Total</b>	<b>2961.08</b>	<b>2760.06</b>	<b>3000.83</b>	<b>3284.88</b>	<b>2992.67</b>	<b>3416.45</b>	<b>3132.23</b>
<b>Growth</b>	<b>16.43%</b>	<b>-6.79%</b>	<b>8.72%</b>	<b>9.47%</b>	<b>-8.90%</b>	<b>14.15%</b>	<b>-8.31%</b>

The actual sales in MUs as at the end of second half year (October to March) for the last 7 years is as follows;

CATEGORY	FY17 1/10/16 TO 31/03/17	FY18 1/10/17 TO 31/03/18	FY19 1/10/18 TO 31/03/19	FY20 1/10/19 TO 31/03/20	FY21 1/10/20 TO 31/03/21	FY22 1/10/21 TO 31/03/22
LTI<40 units	50.84	62.04	67.93	48.24	49.31	45.96
LT1>40 units				13.96	12.53	14.02
LT2a	456.87	464.48	483.43	489.28	487.67	522.66
LT2b	4.61	4.81	5.00	5.20	3.23	4.37
LT3	134.87	146.46	150.08	156.30	148.65	166.91
LT4a	1790.96	1392.12	1648.96	1437.13	1584.93	1415.58
LT4b	0.66	0.49	0.42	0.40	0.38	0.63
LT4c	10.48	11.17	11.96	9.48	8.78	8.75
LT5	68.39	70.84	73.98	75.60	79.89	86.46
LT6 WS	118.72	121.02	128.41	126.31	129.22	137.00
LT6 SL	54.62	56.51	60.18	59.91	59.09	59.80
LT7	7.54	8.32	9.36	8.78	10.40	9.06
<b>LT TOTAL</b>	<b>2698.56</b>	<b>2338.26</b>	<b>2639.72</b>	<b>2430.59</b>	<b>2574.07</b>	<b>2471.63</b>
HT-1	206.05	212.11	224.11	233.00	240.05	250.00
HT2a	272.26	343.09	334.10	312.01	336.52	364.43
HT2b	57.12	60.49	66.02	63.87	48.95	55.42
HT2c	23.35	24.55	24.26	26.28	22.27	26.76



29 NOV 2022

*Ranjana*  
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No. of Corrections.....*nika*.....





Annual Revenue Requirement for FY-24

CATEGORY	FY17 1/10/16 TO 31/03/17	FY18 1/10/17 TO 31/03/18	FY19 1/10/18 TO 31/03/19	FY20 1/10/19 TO 31/03/20	FY21 1/10/20 TO 31/03/21	FY22 1/10/21 TO 31/03/22
HT3 a&b	41.49	59.02	61.39	50.68	80.87	90.42
HT4	1.81	1.83	2.02	1.94	1.85	2.09
HT5	1.06	1.16	0.62	0.66	1.90	3.23
<b>HT TOTAL</b>	<b>603.14</b>	<b>702.25</b>	<b>712.51</b>	<b>688.43</b>	<b>732.41</b>	<b>792.34</b>
Station Auxiliary	2.52	2.46	2.51	2.65	3.68	4.19
<b>Total</b>	<b>3304.22</b>	<b>3042.97</b>	<b>3354.74</b>	<b>3121.67</b>	<b>3310.16</b>	<b>3268.17</b>
<b>Growth</b>	-	-7.91%	10.25%	-6.95%	6.04%	-1.27%

Projected Sales growth for FY-23 & FY-24

Category	Growth considered from	% Growth considered	FY-23		FY-24	
			Approved by KERC	Estimated	Approved by KERC	Projected
LT1<40 units	-	1.00%	96.56	96.07	96.56	97.02
LT1>40 units		1.00%	32.89	29.57	32.89	29.86
LT2a	5 year CAGR	3.30%	1156.81	1145.90	1200.54	1183.76
LT2b	-	1.00%	11.26	7.99	12.29	8.07
LT3	5 year CAGR	2.93%	342.12	326.36	364.91	335.92
LT4a	3 year CAGR	0.98%	3224.03	3000.56	3259.23	3154.07
LT4b	3 year CAGR	10.52%	1.52	1.12	1.53	1.24
LT4c	5 year CAGR	1.80%	23.47	19.55	25.60	19.90
LT5	3 year CAGR	4.65%	156.09	175.13	159.10	183.27
LT6 WS	5 year CAGR	4.66%	290.83	289.44	302.06	301.68
LT6 SL	5 year CAGR	2.56%	123.89	120.45	126.15	123.53
LT6 EV				2.00		14.00
LT7	5 year CAGR	3.98%	17.58	18.10	18.37	18.82
<b>LT TOTAL</b>			<b>5477.05</b>	<b>5232.24</b>	<b>5599.23</b>	<b>5471.14</b>
HT-1	3 year CAGR	3.77%	507.16	516.09	519.63	535.55
HT2a	5 year CAGR	3.51%	620.14	780.65	636.55	808.04
HT2b	-	2.00%	110.53	105.95	126.58	108.07
HT2c	5 year CAGR	2.13%	51.32	54.56	53.39	55.72
HT3 a&b	5 year CAGR	14.63%	121.71	149.75	134.32	171.65
HT4	5 year CAGR	2.24%	3.91	4.26	3.77	4.36
HT5	5 year CAGR	12.34%	3.50	6.88	3.56	7.73



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No. of Corrections.....*Nil*.....



Annual Revenue Requirement for FY-24

Category	Growth considered from	% Growth considered	FY-23		FY-24	
			Approved by KERC	Estimated	Approved by KERC	Projected
<b>HT TOTAL</b>			<b>1418.26</b>	<b>1618.14</b>	<b>1477.79</b>	<b>1691.12</b>
Station Auxiliary	5 year CAGR	1.58%	5.75	5.54	5.93	5.63
<b>Total</b>			<b>6911.06</b>	<b>6855.92</b>	<b>7093.94</b>	<b>7167.89</b>

**Analysis for projection of energy sales for FY-23 & FY-24:**

**BJ/KJ installations:** There is negative growth in energy sales over the years as there are no new installations under BJ/KJ scheme. However, growth of 1% is considered as the quantum of growth of energy sales considered is meager.

**LT-4(a) IP sets below 10 HP:** The energy sale as on 30.09.2022 is 1197.65 MU for 458259, which works out to specific consumption per IP per year as 5226.95 Units. This low specific consumption is attributed to the heavy rain & floods in the area with decrease in agricultural activities.

Hence, for calculating the LT-4(a) consumption, 3 year CAGR on the consumption of FY-22 was considered which works out to 3000.56 MU for FY-23. Hence, the IP sales for FY-24 is calculated as below,

PARTICULARS	2023	2024
Projected number of Installations	470611	494687
Specific consumption per IP/year	6376	6376
Consumption	<b>3000.56</b>	<b>3154.07</b>

**LT-2(b):** Due to the impact of COVID-19, the energy sales in private educational institutions were very low and hence the 3 year & 5 year CAGR values are negative. Hence, growth of 1% is considered.

**HT-2(b):** Due to the impact of COVID-19, the energy sales in commercial category is very low and hence the 3 year & 5 year CAGR values are negative. Hence, growth of 2% is considered.

For the remaining tariff categories, the appropriate 3 year CAGR & 5 year CAGR is considered for projecting the energy sales for FY-23 & FY-24;



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No. of Corrections... *Nile* .....





## Annual Revenue Requirement for FY-24

For the following tariff categories, 3 year CAGR is considered;

- LT-4(b) IP sets above 10 HP : 10.52%
- LT-5- Industrial : 4.65%
- HT-1- Water Supply : 3.77%

For the following tariff categories, 5 year CAGR is considered;

- LT-2(a)-Domestic : 3.30%
- LT-3 Commercial : 2.93%
- LT-4(c)-Coffee & Tea Plantation : 1.80%
- LT-6- Water Supply : 4.66%
- LT-6b- Public Lighting : 2.56%
- LT-7- Temporary : 3.98%
- HT-2(a)-Industrial : 3.51%
- HT-2(c)-Private educational Institutions & Hospitals : 2.13%
- HT- 3a&b- Lift Irrigation& Agricultural Farms : 14.63%
- HT-4- Residential : 2.24%
- HT-5- Temporary : 12.34%

Energy Requirement for FY-23 & FY-24							
Financial Year	Projected Energy Sales in MU	Distribution Loss in %	Distribution Loss in MU	Energy at IF Point	Transmission Loss in %	Transmission Loss in MU	Energy requirement
2023	6855.92	10.70	821.48	7677.40	2.864	226.36	7903.76
2024	7167.89	10.60	849.88	8017.77	2.764	227.91	8245.68

The above projection of 8245.68 MU for FY-24 has been arrived at considering the Commission approved transmission loss viz., 2.764%. However, as per the energy reconciliation done by the office of CEE, SLDC, KPTCL, Bengaluru, the loss is termed as pool loss and it varies between 3.5% to 5.0%.



29 NOV 2022

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No. of Corrections... *nil* .....



## 4.2 Power Purchase for FY-24

Projected Energy Availability & Cost for FY-24:

- 1.0 The energy required by ESCOMs of Karnataka for the Financial Year 2023-24 after considering the distribution and transmission losses is shown in Table-1.

Table-1

(Energy in Mus)

ESCOMs	2023-24
BESCOM	34774.06
GESCOM	9732.78
HESCOM including Hukkeri Society & AEQUS	15575.23
MESCOM Including MSEZ	6313.75
CESC, Mysore	8245.68
<b>Total</b>	<b>74641.50</b>

Month wise energy requirement by ESCOMs for the FY 2023-24 is as below;  
(Energy in MUs)

Month	CESC	GESCOM	HESCOM	MESCOM	BESCOM	Total
Apr-23	795.43	1011.81	1586.35	775.36	3587.32	7756.27
May-23	682.64	900.15	1520.15	649.87	3314.88	7067.69
Jun-23	524.92	758.46	1401.46	427.97	2718.97	5831.78
Jul-23	552.34	618.46	1179.08	392.77	2620.16	5362.81
Aug-23	668.80	650.57	1145.03	422.77	2651.89	5539.06
Sep-23	639.57	844.67	1198.98	452.99	2804.37	5940.58
Oct-23	601.39	728.73	1168.79	464.49	2858.08	5821.48
Nov-23	573.49	808.94	1050.37	432.56	2543.07	5408.43
Dec-23	695.91	729.95	1189.55	406.91	2369.69	5392.01
Jan-24	797.99	833.17	1308.24	492.26	2781.14	6212.80
Feb-24	785.53	924.35	1403.25	676.00	3250.70	7039.83
Mar-24	927.67	923.52	1423.98	719.81	3273.79	7268.77
Total	8245.68	9732.78	15575.22	6313.75	34774.06	74641.50



29 NOV 2022

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No. of Corrections.....*nil*.....





## 2.0 Assessment Of Availability

The ESCOM's had broadly categorized the sources of energy into State owned Generation i.e. Generation from KPCL, allocation (firm and non-firm ) from Central generating Stations(CGS), Independent Power producers(IPP), Renewable Energy sources such, Bio-Mass, Co-Generation, Mini Hydro, wind and Solar Power plants. And also tied up with bilateral and joint venture contract with DVC, TSGENCO (Priyadarsihni Hydro Project), and TBHE

3.0 The availability of power and related costs for the ensuing year FY 2023-24 for the state of Karnataka, forecasted taking into account the following aspects

- ✓ Existing long term allocated generation capacity of Karnataka.
- ✓ New generation capacity additions during FY 2023-24 for Karnataka from Central Sector, State Sector, private players awarded through competitive bidding by individual ESCOMs

## 4.0 Hydro and Thermal Stations of KPCL

The Energy availability of Hydel and Thermal stations of State Owned Power plants are considered as per the details furnished by KPCL in its email dated 15.11.2022. RPCL vide letter dated 15.11.2022 has furnished the availability of the energy and cost in respect of Yermarus thermal power plant. The energy projected by KPCL in respect of hydro stations is based on average energy generated in last 10 years average inflow with a 1% auxiliary consumption as per PPA. Energy availability in respect of Thermal Stations is as per the targeted availability defined in the PPA/Regulations wherever applicable and less by applicable auxiliary consumption of each station.

During the Financial year 2023-24, Energy availability from different sources is more than the quantum required by ESCOMs, considering the following factors;

- i) The energy availability from KPCL stations including RPCL as per the details furnished by Generating Stations.
- ii) Energy availability from CGS stations viz., NTPC, NLC, Nuclear Power Corporation as per LGBR of the year 2023-24 is considered.



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No. of Corrections.....*NW*.....

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## Annual Revenue Requirement for FY-24

- iii) 85% of the 90% of the installed capacity has been considered for UPCL project .
- iv) In respect of NCE projects, energy actual supplied during year 2021-22 has been considered for 2023-24.
- v) Solar projects selected through bidding route for which cumulative utilization factor as per the PPA is considered.
- vi) In respect of Taluka wise, 1 to 3 MW farmers category, energy actual supplied during year 2021-22 has been considered for 2023-24 .
- vii) 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	12203.73	KPCL
<b>KPCL Thermal:</b>		
RTPS -1 & 7	8827.85	KPCL
RTPS 8	1554.37	KPCL
<b>BTPS</b>		
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
Total	102626.04	

### 5.0 Backing down of power:



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No. of Corrections: *nik*





## Annual Revenue Requirement for FY-24

After fully meeting the requirement of the State, the ESCOMs still have to partially back down/Keep Reserve Shut down the thermal plants so as to save on the variable costs being incurred. On the basis of average variable cost of april-2022 to September 2022 to arrive merit order dispatch for FY 2023-24 and thereafter, after considering all generating stations allocated to ESCOMs, availability of energy from different sources is more than quantum required by ESCOMs and hence available quantum from different sources have been reduced on the basis of Merit Order Despatch is as detailed below;

Sources	Available quantum in Mus	Quantum offtake by ESCOMs in Mus	Difference in Mus	Justification	
RTPS 8	1554.37	963.06	591.31	Due to higher variable cost, off take of power from these power plants is reduced. The full Fixed cost is considered for tariff filing.	
BTPS Unit-1	3051.84	1216.34	1835.50		
BTPS Unit-2	2899.06	1494.18	1404.88		
BTPS Unit-3	4873.50	3234.79	1638.71		
RTPS Unit 1 to 7	8827.85	4860.83	3967.01		
Yermarus TPS - 1 & 2	10905.24	6432.14	4473.10		The capacity charges considered for full.
Kudigi Units 1,2 &3	9363.68	2451.25	6912.44		Due to higher variable cost, off take of power from these power plants is reduced. The full Fixed cost is considered for tariff filing.
NTPL	1341.46	721.68	619.78		
Vallur	891.54	555.33	336.21		
UPCL	7482.78	1277.20	6205.5849		
Total	51191.32	23206.78	27984.54		

5.1 The availability of Energy from Hydel & Thermal Power Station's details furnished by KPCL is shown in **Table 2 & 3**.

**Table-2**  
**HYDEL ENERGY**

Sl. No.	Generating Source	Energy in MUs
1	Sharavathy valley project ( Sharavathy, Linganamakki &	5049.99



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No. of Corrections.. Nil

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Annual Revenue Requirement for FY-24

Sl. No.	Generating Source	Energy in MUs
	Chakra Projects)	
2	Kali Valley projects ( Nagajari & Supa Projects)	3371.94
3	Varahi Valley projects ( Varahi & Mani Projects)	1077.12
4	Bhadra & Bhadra Right Bank	59.40
5	Ghataprabha (GDPH)	85.14
6	Mallapur & Others	0
7	Kadra Dam	396.00
8	Kodasalli Dam	396.00
9	Gerusoppa/STRP	542.52
10	Almatti Dam Power House	504.90
12	Shiva & Shimsa	279.18
13	Munirabad	95.04
14	MGHE-Jog	346.50
	<b>Total KPCL Hydel</b>	<b>12203.73</b>

Table-3  
KPCL THERMAL POWER STATIONS

Sl. No.	Stations	Installed Capacity in MW	Net scheduled Energy in MUs
1	RTPS I & 7	1470	4860.83
2	RTPS Unit 8	250	963.06
3	BTPS Unit I	500	1216.34
4	BTPS Unit II	500	1494.18
5	BTPS UNIT-III	700	3234.79
6	Yermarus TPS - 1 & 2	1600	6390.66
	<b>Total KPCL Thermal</b>		<b>18159.85</b>

5.2 Total Hydel generation would be 12203.73 MUs and energy from Thermal plants would be scheduled is around **18159.85** MUs for 2023-24 from KPCL Thermal Station and Raichur Power Corporation Ltd.

**6.0 Projection of cost - KPCL Hydel and Thermal Stations:**

Hydel Stations:



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No. of Corrections: *nil*

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## Annual Revenue Requirement for FY-24

The tariff rates worked out by KPCL based on KERC order dated 03.08.2009 for hydel stations except for Shivasamudram, Shimsha, Munirabad & MGHE. The tariff for the hydel stations is based on the design energy. The over and above the design energy paid at 15 paise per kwh or 3% of the ROE whichever is less. The Hon'ble Commission vide order dated 25.02.2015 determined the tariff for KPCL Hydro Stations of Shiva and Shimsha, Munirabad & MGHE. The tariff proposed by KPCL in its letter dated 15.11.2022 is considered for above hydro stations. The rate details furnished by the KPCL is as shown in Table-4.

**Table-4**

(Amount in Rs crores)

Particulars	SVP	KVP	VVP	KPH	KDPH	GPH	GHEP	BPH	ADPH	Varahi 3&4
<b>A. Fixed Charges</b>										
Depreciation	11.51	15.31	8.31	15.82	9.69	24.34	0.59	2.15	25.97	13.12
<b>Total Fixed Charges (A)</b>	<b>11.51</b>	<b>15.31</b>	<b>8.31</b>	<b>15.82</b>	<b>9.69</b>	<b>24.34</b>	<b>0.59</b>	<b>2.15</b>	<b>25.97</b>	<b>13.12</b>
<b>B. Primary Energy Charges</b>										
Return on Equity	12.98	14.74	10.31	13.26	9.07	15.91	1.41	0.74	15.96	5.39
O&M Expenses	162.55	171.68	118.32	52.14	32.97	38.27	16.61	23.89	14.86	7.09
Tax-MAT(15%) plus (12% SC+4% Cess)	2.75	3.12	2.18	2.81	1.92	3.37	0.3	0.16	3.38	1.14
Interest on Working Capital	7.76	7.67	4.79	2.9	1.93	2.88	0.63	0.82	2.91	1.65
<b>Total Primary Energy Charges (B)</b>	<b>186.04</b>	<b>197.21</b>	<b>135.6</b>	<b>71.11</b>	<b>45.89</b>	<b>60.43</b>	<b>18.95</b>	<b>25.61</b>	<b>37.11</b>	<b>15.27</b>
Secondary Energy Charges (C)	2.84	3.22	2.25	-	0.35	1.5	-	0.13	3.27	-
<b>Total (A+B+C)</b>	<b>200.39</b>	<b>215.74</b>	<b>146.16</b>	<b>86.93</b>	<b>55.93</b>	<b>86.27</b>	<b>19.54</b>	<b>27.89</b>	<b>66.35</b>	<b>28.39</b>

Sl. No.	Source	Design energy in MUs	Paise per Unit
<b>A</b>	<b>KPCL – Hydel</b>		
1	Sharavathy valley project ( Sharavathy, Linganamakki & Chakra Projects)	3737.95	59.68
2	Kali Valley projects	2058.77	83.98
3	Varahi Valley projects ( Varahi & Mani Projects)	848.69	176.19
4	Varahi 3 & 4	848.69	176.19
5	Bhadra & Bhadra Right Bank	50.49	27.05
6	Ghataprabha (GDPH)	84.97	489.53



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No. of Corrections.....*NA*.....

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Annual Revenue Requirement for FY-24

Sl. No.	Source	Design energy in MUs	Paise per Unit
7	Mallapur & Others		0.00
8	Kadra Dam	419.9	229.32
9	Kodasalli Dam	372.48	161.24
11	Gerusoppa/STRP	442.62	179.02
12	Almatti	384	231.42
13	Shiva & Shimsa	252	133.77
14	Munirabad	65	96.90
15	MGHE-Jog	119	72.27

Note: Paise 20 as royalty charges is considered for the actual generation in respect of all Hydro stations except for the Almatti Dam Power House (Paise 100 /unit) and Shimsa

**KPCL Thermal Stations:**

The tariff rates worked out by KPCL based on various parameters of tariff orders in respect of thermal stations RTPS units 1 to 7, RTPS-8, BTPS unit-I, II & III is considered. The KERC in its order dated 25.02.2015 determined capacity charges in respect of BTPS unit 2 and RTPS Unit-8 from the date of commission of the project. Hence, tariff proposed in the letter dated 15.11.2022 by KPCL is considered for the following units;

(Amount in Rs crores)

Particulars	RTPS Unit 1 to 7	RTPS Unit-8	BTPS Unit-1	BTPS Unit-2	BTPS Unit-3
Lease Rentals	0.65	-	-	-	-
Finance Charges	-	17.48	-	52.65	283.74
Returns	116.99	31.28	53.90	74.76	184.78
Depreciation	37.76	60.32	89.28	104.12	224.39
O&M expenses	635.44	99.13	120.91	141.61	162.82
Tax	24.77	-	11.41	-	-
Interest on working capital	202.46	19.95	75.39	51.30	87.02
<b>Total</b>	<b>1018.07</b>	<b>228.16</b>	<b>350.89</b>	<b>424.44</b>	<b>942.75</b>

Capacity charges as determined by KERC in the order dated 17.1.2022 is considered for the YTPS for FY 2023-24



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No. of Corrections... *nile* .....





## Annual Revenue Requirement for FY-24

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

Month	Rs/kwh					
	RTPS Unit 1 to 7	RTPS Unit-8	BTPS Unit-1	BTPS Unit-2	BTPS Unit-3	YTPS
Apr-22	4.55	4.50	5.34	3.92	3.67	2.90
May-22	4.60	4.60	5.64	4.26	3.83	3.43
Jun-22	4.69	4.69	5.86	4.33	4.13	3.99
Jul-22	4.49	4.49	6.77	4.40	4.35	4.25
Aug-22	4.49	4.49	6.66	4.40	4.36	4.43
Sep-22	4.53	4.53	5.91	3.98	3.87	4.63
Total	27.35	27.30	36.18	25.30	24.21	23.63
<b>Average</b>	<b>4.56</b>	<b>4.55</b>	<b>6.03</b>	<b>4.22</b>	<b>4.04</b>	<b>3.94</b>

Table-5

Sl. no.	Stations	2023-24	
		Fixed cost Rs in Crores	Variable cost Paise per Kwh
1	RTPS unit 1 to 7	1018.07	455.00
2	RTPS unit-8	228.16	454.98
3	BTPS unit-1	350.89	603.08
4	BTPS unit-II	424.44	421.58
5	BTPS Unit-III	942.75	403.53
6	Yermarus TPS - 1 & 2	2289.12	393.75

The average cost of hydel stations works out to 105.97 paise per unit for FY 2023-24.

### 7.0 Central Generating Stations:

ESCOMs have a share in Central Generating station of NTPC, Neyveli Lignite Corporation (NLC), Nuclear power stations and other Joint Venture Projects. The allocation of capacity entitlement from these stations includes both firm and unallocated share. The unallocated share is vary depending upon the allocation issued by Ministry of Power, Gol.



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No. of Corrections... *nil*



## Annual Revenue Requirement for FY-24

The energy available to ESCOMs depends on the scheduled generation and share in a month and other parameters such as availability and outages (forced and planned). The net energy available at ex-bus generation in the LGBR prepared by SRPC (draft) for the year 2023-24 is considered. Out of the total month wise energy available at Ex-bus, the share of Karnataka including unallocated share for the month of October 2022 is taken to arrive the energy available to Karnataka for FY2023-24. In order to arrive energy available at Karnataka Periphery, all India Transmission loss for the week from 14.11.2022 to 20.11.2022 as notified by the NLDC of 3.74% is taken. The scheduled energy available at ex-bus, share of Karnataka and net energy available at KPTCL periphery after considering the POC losses is shown in **Table-6**.

**Table – 6**

Sl no	Station	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23
1	RSTP-I&II	1289	1332	1117	1182	1332	1289	1332
2	RSTP-III	329	340	329	340	340	329	340
3	RSTP-Talcher	1283	1319	935	1139	1120	1121	1318
4	<b>Simhadri station II</b>	<b>645</b>	<b>666</b>	<b>473</b>	<b>516</b>	<b>666</b>	<b>645</b>	<b>666</b>
5	Vallur unit-I, II & III	830	858	782	607	639	782	808
6	NLC II Stage-1	349	359	342	252	356	244	320
7	NLC II Stage-2	469	486	359	482	378	457	339
8	NLC expansion I	253	260	253	261	159	159	240
9	NLC expansion Stage II ( Unit-1)	228	119	178	168	234	228	234
10	New NLC Thermal projects	589	611	589	601	601	581	344
11	NTPL Unit-2X 500 Mw	629	650	461	367	472	629	650
12	MAPS	101	106	101	-18	69	101	106
13	Kaiga Unit-1 & 2	240	248	240	248	248	121	211
14	Kaiga Unit-3&4	130	245	237	245	245	237	245
15	Kudamkulam Unit-I	670	692	670	692	692	670	692
16	Kudamkulam Unit-II	0	0	670	692	692	670	692
17	Kudigi Unit 1,2 & 3	1539	1590	1026	1078	1060	1470	1590



29 NOV 2022  
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No. of Corrections.....nil.....





Annual Revenue Requirement for FY-24

Sl no	Station	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Total	Ratio of Karnataka for the month of Oct-2022	net energy exported to kar @ Ex-Bus
1	RSTP-I&II	1064	1182	1332	1203	1332	14988.58	20.26	3037.29
2	RSTP-III	329	340	70	240	340	3666.05	21.75	797.51
3	RSTP-Talcher	1269	1313	1316	1239	1322	14694.16	18.86	2771.03
4	Simhadri station II	645	666	666	602	666	7521.15	19.17	1441.95
5	Vallur unit-I, II & III	700	726	761	775	858	9126.67	10.15	926.17
6	NLC II Stage-1	209	320	354	331	353	3789	21.88	829.18
7	NLC II Stage-2	420	325	430	453	486	5084	22.13	1125.29
8	NLC expansion I	249	256	265	249	265	2869	25.41	728.96
9	NLC expansion Stage II ( Unit-1)	114	149	202	218	234	2306	25.4	585.68
10	New NLC Thermal projects	280	344	457	567	603	6167	7.31	450.62
11	NTPL Unit-2X 500 Mw	629	650	650	608	650	7044.33	19.78	1393.58
12	MAPS	101	106	106	98	106	1083	8.42	91.19
13	Kaiga Unit-1 & 2	240	248	248	232	248	2772	30.8	853.78
14	Kaiga Unit-3&4	237	245	245	229	245	2785	33.33	928.24
15	Kudamkulam Unit-I	670	335	0	11	692	6483.96	23.5	1523.73
16	Kudamkulam Unit-II	670	692	692	647	692	6807.6	22.11	1505.16
17	Kudigi Unit 1,2 & 3	1539	1590	1590	1436	1590	17100.58	56.88	9727.49

Sl. No.	Stations	Total Energy scheduled at EX-bus in MUs	Share of Karnataka in %	Karnataka Share in MUs
1	RSTP-I&II	14989	20.26	3037.29
2	RSTP-III	3666	21.75	797.51
3	RSTP-Talcher	14694	18.86	2771.03
4	Simhadri station II	7521	19.17	1441.95
5	Vallur unit-I & II	9127	10.15	926.17



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No. of Corrections... Nil .....



Annual Revenue Requirement for FY-24

Sl. No.	Stations	Total Energy scheduled at EX-bus in MUs	Share of Karnataka in %	Karnataka Share in MUs
6	NLC II Stage-1	3789	21.88	829.18
7	NLC II Stage-2	5084	22.13	1125.29
8	NLC expansion I	2869	25.41	728.96
9	New NLC Thermal power project	2306	7.31	585.68
10	NLC expansion Stage II (Unit-1)	6167	25.40	450.62
11	NTPL-2X 500 MW	7044	19.78	1393.58
12	MAPS	1083	8.50	91.19
13	Kaiga Unit-1& 2	2772	30.80	853.78
14	Kaiga Unit-3&4	2785	33.33	928.24
15	Kudamkulam Unit-1	6484	23.50	1523.73
	Kudamkulam Unit-2	6808	22.11	1505.16
16	Kudigi Station(3X800 MW)	17101	56.88	9727.49
17	DVC- Maija ( unit 7 &8 )	7037	20.00	1407.42
18	DVC- Koderma (unit 1 & 2)	7037	25.00	1759.27
	<b>Total</b>			<b>31883.54</b>

Due to surplus energy in the State, some of the Inter State Generating Stations are to be backed down and energy proposed to schedule during the year is shown in **Table-7**.

Table-7

Stations	Energy scheduled @ generator's Ex-bus in Mus	Injection loss in %	Injection state POC loss in MUs	Energy scheduled after Injection state loss
N.T.P.C-RSTP-I&II	3037.29	3.74	113.59	2923.69
NTPC-III	797.51	3.74	29.83	767.69
NTPC-Talcher	2771.03	3.74	103.64	2667.39
NLC TPS2-Stage 1	829.18	3.74	31.01	798.17
NLC TPS2-Stage 2	1125.29	3.74	42.09	1083.21
NLC TPS1-Expn	728.96	3.74	27.26	701.69



29 NOV 2022

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No. of Corrections.....*nil*.....





### Annual Revenue Requirement for FY-24

Stations	Energy schedule d @ generator s Ex-bus in Mus	Injection loss in %	Injection state POC loss in MUs	Energy schedule d after Injection state loss
NLC II expansion I	585.68	3.74	21.90	563.77
NLC Thermal Projects	450.62	3.74	16.85	433.77
MAPS	91.19	3.74	3.41	87.78
Kaiga Unit 1 & 2	853.78	3.74	31.93	821.84
Kaiga Unit 3 & 4	928.24	3.74	34.72	893.52
Simhadri Unit -1 & 2	1441.95	3.74	53.93	1388.03
NTPL Unit-2X 500 MW	1393.58	3.74	52.12	1341.46
Kudamkulam	1523.73	3.74	56.99	1466.74
Kudamkulam	1505.16	3.74	56.29	1448.87
Vallur TPS Sg I ,2 & 3	926.17	3.74	34.64	891.54
Kudigi(3X800 MW)	9727.49	3.74	363.81	9363.68
DVC - Mejsa thermal Power Station	1407.42	3.74	52.64	1354.78
DVC - Koderma Thermal Power Station	1759.27	3.74	65.80	1693.47
<b>Total</b>	<b>31883.54</b>			<b>30691.10</b>

The Tariff in respect of Central Generating Stations like NTPC, NLC and DVC stations for the Control period 2019 to 2024 is under finalization by CERC for the stations belonging to Generators. In respect of Simhadri Stg-II, NLC Thermal Power Station Exp-I and Ramagundam Super Thermal Power Station- II, CERC has determined the tariff for the control period 2019 to 2024, the applicable capacity charges has been considered taken. In all other station, the Capacity charges billed by generator to ESCOMs of Karnataka for the year 2022-23 is considered for the FY 2023-24. The status of the CGS petition present status is as below:

500	416/GT/ 2020	NTPC Limited	Petition Under Section 62 and 79 (1) (a) of the Electricity Act, 2003 read with Chapter-V of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999	Hearing
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29 NOV 2022

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No. of Corrections... *silk* .....



Annual Revenue Requirement for FY-24

			and Chapter-3, Regulation-9 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for approval of tariff of Ramagundam Super Thermal Power Station Stage-I & II ( 2100 MW ) for the period from 01.04.2019 to 31.03.2024	
485	441/GT/2020	NTPC Limited	Petition Under Section 62 and 79 (1) (a) of the Electricity Act, 2003 read with Chapter-V of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Chapter-3, Regulation-9 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for approval of tariff of Talcher Super Thermal Power Station, Stage-II (2000MW) for the period from 01.04.2019 to 31.03.2024.	Order Reserved- Additional information for final order to be filed by Petitioner, Respondent
386	29/GT/2021	NTPC Limited	Petition Under Section 62 and 79 (1) (a) of the Electricity Act, 2003 read with Chapter-V of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Chapter-3, Regulation-9 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for approval of tariff of Kudgi Super Thermal Power Station Stage- I ( 3X800 MW ) for the period from 01.04.2019 to 31.03.2024.	Reply / additional information as per ROP to filed by Petitioner, Respondent
503	411/GT/2020	NTPC Tamil	Petition Under Section 62	Order Reserved-

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No. of Corrections.....*nil*.....





Annual Revenue Requirement for FY-24

		Nadu Energy Company Limited (NTECL)	and 79 (1) (a) of the Electricity Act, 2003 read with Chapter-V of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Chapter-3, Regulation-9 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for approval of tariff of Vallur Thermal Power Station (3X500 MW) for the period from 01.04.2019 to 31.03.2024.	Additional information for final order to be filed by Petitioner, Respondent
517	385/GT/2020	NLC INDIA LIMITED (formerly Neyveli Lignite Corporation Limited) (NLCIL)	Fixation of tariff for NLCILs Thermal Power Station II 1470 MW (TPS- II Stage I 630 MW and Stage II 840 MW) for the period from 01.04.2019 to 31.03.2024	Order Reserved- Additional information for final order to be filed by Petitioner, Respondent
555	254/GT/2020	NLC Tamilnadu Power Ltd (NTPL)	NLC TAMILNADU POWER LIMITED (NTPL)-2 x 500 MW Coal based Thermal Power Station - Petition seeking fixation of Tariff under Regulations 2019 - for the period 2019-24	Hearing
655	219/GT/2019	NLC INDIA LIMITED (formerly Neyveli Lignite Corporation Limited) (NLCIL)	NNTPS (Neyveli New Thermal Power Station) 2 X 500 MW Determination of tariff for the period from the date of anticipated CoD during the control period 2019-24 until 31.03.2024 Petition under section 79 read with Section 62 and 64 of the electricity act for determination of tariff.	Order Reserved- Additional information for final order to be filed by Petitioner, Respondent

The capacity charge considered based on various orders are as detailed below;



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No. of Corrections.....*n/c*.....



Annual Revenue Requirement for FY-24

Sl. No.	Stations	Capacity charges applicable for 2022-23 (Amount in Rs. crore)
1	RSTP-I&II	1057.68
2	RSTP-III	299.83
3	RSTP-Talcher	996.95
4	Simhadri station II	980.43
5	Vallur unit-I & II	1858.96
6	NLC II Stage-1	299.80
7	NLC II Stage-2	414.29
8	NLC expansion I	276.18
9	NLC expansion Stage II (U-1)	665.94
10	New NLC Thermal projects	1259.60
11	NTPL-2X 500 MW	1090.17
12	Kudigi	2795.24
13	DVC-Mejia	1019.21
14	DVC-Koderma	1175.74

The average variable cost for the month of April -2022 to Sept 2022 is considered for energy charges for FY 2023-2024.

Sl no	Station	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Avg Variable Cost (Ps/Kwh)
1	RSTP-I&II	3.087	3.272	4.824	4.994	4.812	5.100	434.82
2	RSTP-III	3.043	3.086	3.637	3.637	4.853	5.214	391.17
3	RSTP-Talcher	1.718	1.564	1.871	2.477	2.382	2.243	204.25
4	Simhadri station II	3.693	3.665	4.129	4.700	4.600	4.936	428.72
5	Vallur unit-I, II & III	3.235	3.748	4.012	4.014	4.285	4.151	390.75
6	NLC II Stage-1	2.667	2.734	2.748	2.759	2.769	2.769	274.10
7	NLC II Stage-2	2.667	2.734	2.748	2.759	2.769	2.769	274.10
8	NLC expansion I	2.434	2.443	2.444	2.441	2.446	2.446	244.23
9	NLC expansion Stage II ( Unit-1)	2.586	2.583	2.590	2.629	2.617	2.617	260.37
10	New NLC Thermal projects	2.186	2.199	2.221	2.225	2.214	2.214	220.98

CESC Mysuru ARR/ERC of FY-24

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29 NOV 2022

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No. of Corrections.....*nil*.....





Annual Revenue Requirement for FY-24

11	NTPL Unit-2X 500 Mw	3.864	4.029	3.921	4.139	4.468	4.387	413.47
12	MAPS	2.594	2.594	2.594	2.594	2.594	2.594	259.42
13	Kaiga Unit-1& 2	3.472	3.495	3.495	3.495	3.495	3.488	349.02
14	Kaiga Unit-3&4	3.472	3.495	3.495	3.495	3.495	3.488	349.02
15	Kudamkulam Unit-I	4.111	4.118	4.121	4.123	4.391	4.162	417.10
16	Kudamkulam Unit-II	4.111	4.118	4.121	4.123	4.391	4.162	417.10
17	Kudigi Unit 1,2 & 3	5.294	5.007	5.500	6.282	6.093	6.357	575.55

In respect of MAPS, Kaiga, and Kundamkulam power station the average rate per unit for the months of April – 2022 to Sep-2022 is considered.

Particulars	MAPS	Kaiga Units 1 to 4	Kudamkulam Unit -1	Kudamkulam Unit -2
Base Price	2.402	3.415	3.545	3.545
Heavy Water adjustment charges	0.005	-0.189	0.422	0.422
Heavy Water lease adjustment charges	0.000	0.018	0.000	0.000
Insurance	0.117	0.174	0.047	0.047
Decommission Levy	0.020	0.020	0.020	0.020
Forex Variation Adjustment Charges	0.050	0.050	0.078	0.078
Nuclear Liability & Forex adjustment	0.000	0.000	0.050	0.050
Others			0.000	0.000
<b>Total tariff</b>	<b>2.594</b>	<b>3.488</b>	<b>4.162</b>	<b>4.162</b>

The capacity charges (Fixed Cost) and variable cost considered for 2023-24 is shown in Table-9.

Table-9

Central Projects	FC Rs in Cr	VC Paise per Kwh
N.T.P.C-Ramagundam	214.33	434.82
NTPC-VII	65.23	391.17
NTPC-Talcher	188.00	204.25
NLC TPS2-Stage 1	65.61	274.10



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No. of Corrections.....*NW*.....

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## Annual Revenue Requirement for FY-24

Central Projects	FC Rs in Cr	VC Paise per Kwh
NLC TPS2-Stage 2	91.70	274.10
NLC TPS1-Expn	70.17	244.23
NLC II Expansion-1	169.14	260.37
New NLC Thermal Power project	92.04	220.98
MAPS	0.00	259.42
Kaiga unit I &II	0.00	349.02
Kaiga Unit 3 &4	0.00	349.02
Simhadri Unit -1 &2	187.97	428.72
Vallur TPS Stage I &2 &3	188.65	390.75
NTPL	215.67	413.47
KudamKulam Unit1	0.00	417.10
KudamKulam Unit2	0.00	417.10
Kudigi	1590.04	575.55
DVC- Mejia thermal Power Station	203.84	384.07
DVC Kodemma thermal Power Station	293.93	401.37

Income tax for the CGS station included in the capacity charges payment on normative basis by grossing up of RoE with effective tax rate of the respective financial year of the generating company. Income tax is included as a part of capacity charges and not payable separately and hence not considered.

### 8.0 Sharing of Transmission Charges

The power transmission from Central Sector Generating Stations is either through the PGCIL lines or any lines constructed by developer selected through competitive bidding route from the generating plants. ESCOMs have to pay POC (Transmission charges) to PGCIL / Independent Power Transmission Utility for transmitting the CGS power and power from other States.

Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses), Regulations 2020 came into force with effect from 1.11.2020. National Load Despatch Centre (NLDC) as the Implementing Agency under Sharing Regulations 2020 has been entrusted with the responsibility of computation of Inter State Transmission Charges (ISTS) and losses. As per Regulation (14)(5)(b), Transmission Charges payable by DICs shall be notified by the Implementing Agency by 25th day of the month following billing



29 NOV 2022

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No. of Corrections..... Nil





## Annual Revenue Requirement for FY-24

period. The computation of transmission charges shall be done on the basis of inputs received from ISTS Licensees, DICs / States, CTU as per the Regulations.

As per Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020, the ESCOMs shall have to make transmission charges on the following components;

- 1) National Component (NC);
- 2) Regional Component (RC);
- 3) Transformer Component (TC); and
- 4) AC System Component (ACC).

CERC has issued the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-state transmission system), Regulation, 2022.

State Transmission Utility on behalf of intra-State entities including distribution licensees has been allocated GNA quantum of 4376 MW to Karnataka in Annexure-I of Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 notified on 07.06.2022.

As per the above notification, the PoC charges payable by ESCOMs of Karnataka for the FY 2023-24 is worked out as below:

LTA Demand	Usage based AC system charges	Balance AC system charges	National component		Regional Component	Transformers component	Bilateral charges	Total Transmission charges
	AC-UBC	AC-BC	NC-RE	NC+HVDC	RC	TC		
4376	500.88	868.83	94.42	142.40	366.38	116.64	0.00	2089.55

Name of the ESCOMs	% of allocation	Amount in Rs crores
BESCOM	51.433	1074.710
HESCOM	18.323	382.859
GESCOM	12.218	255.297
MESCOM	7.930	165.701
CESC	10.097	210.979
Total		2089.547



29 NOV 2022

No. of Corrections.....*nik*.....

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## Annual Revenue Requirement for FY-24

The above charges vary on month to month depending on load, generation, usage of lines and transmission charges of additional lines added to the system.

9.0 The **Grid Controller of India Ltd (POSOCO-SRLDC)** charges are considered as per CERC order dated 31.5.2021 and SRLDC fee Regulation 2019. The Charges payable for the year is Rs. 4.40 Crores. The ESCOM wise charges allocated is as below;

ESCOMS wise % of allocation	BESCOM	GESCOM	HESCOM	MESCOM	CESC	TOTAL
NTPC-Ramagundam (RSTPS) I & II	51.4327	12.2178	19.3334	6.9192	10.0969	100
NTPC-Ramagundam (RSTPS) III	51.4327	12.2178	19.3334	6.9192	10.0969	100
NTPC TALCHER II	51.4327	12.2178	19.3334	6.9192	10.0969	100
NTPC SHIMHADRI II	51.4327	12.2178	19.3334	6.9192	10.0969	100
NTPC KUDGI	51.4327	12.2178	19.3334	6.9192	10.0969	100
NLC TS TPS II-Stage-I	51.4327	12.2178	19.3334	6.9192	10.0969	100
NLC TS TPS II-Stage-II	51.4327	12.2178	19.3334	6.9192	10.0969	100
NLC TPS - I Expansion	51.4327	12.2178	19.3334	6.9192	10.0969	100
NLC TPS - II Expansion	51.4327	12.2178	19.3334	6.9192	10.0969	100
NLC NNTPS	51.4327	12.2178	19.3334	6.9192	10.0969	100
Vellore STPS TPS I, II & III	51.4327	12.2178	19.3334	6.9192	10.0969	100
NTPL Tuticorin	51.4327	12.2178	19.3334	6.9192	10.0969	100
NPCIL MAPS	51.4327	12.2178	19.3334	6.9192	10.0969	100
NPCIL Kaiga-UNIT I & II	51.4327	12.2178	19.3334	6.9192	10.0969	100
NPCIL Kaiga-UNIT III & IV	51.4327	12.2178	19.3334	6.9192	10.0969	100
NPCIL KKNPP-UNIT I	51.4327	12.2178	19.3334	6.9192	10.0969	100
NPCIL KKNPP-UNIT II	51.4327	12.2178	19.3334	6.9192	10.0969	100
Damodar Valley Corporation (Mejia)	51.4327	12.2178	19.3334	6.9192	10.0969	100
Damodar Valley Corporation (Koderma)	51.4327	12.2178	19.3334	6.9192	10.0969	100
SOLAR NTPCVVNL (Rajasthan) (OLD)	46.6473	14.8631	19.0788	7.9087	11.5021	100
NTPC-NTPCVVNL Solar (New)	46.3898	15.1209	18.9999	7.8896	11.5998	100
Balance National Solar Mission	56.0000	12.0000	16.0000	8.0000	8.0000	100



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*Ranjani*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections..... Nil





Annual Revenue Requirement for FY-24

ESCOMS wise % of allocation	BESCOM	GESCOM	HESCOM	MESCOM	CESC	TOTAL
(Pavagada)						
Total						
NTPC-Ramagundam (RSTPS) I & II	230.20	54.68	86.53	30.97	45.19	447.58
NTPC-Ramagundam (RSTPS) III	57.54	13.67	21.63	7.74	11.30	111.88
NTPC TALCHER II	199.04	47.28	74.82	26.78	39.08	387.00
NTPC SHIMHADRI II	103.89	24.68	39.05	13.98	20.40	202.00
NTPC KUDGI	281.93	66.97	105.98	37.93	55.35	548.16
NLC TS II-Stage-I	70.64	16.78	26.55	9.50	13.87	137.34
NLC TS II-Stage-II	95.36	22.65	35.84	12.83	18.72	185.40
NLC TPS - I Expansion	53.25	12.65	20.02	7.16	10.45	103.53
NLC TPS - II Expansion	63.39	15.06	23.83	8.53	12.44	123.25
NLC NNTPS	37.46	8.90	14.08	5.04	7.35	72.84
Vellore STPS TPS I & II	75.76	18.00	28.48	10.19	14.87	147.30
NTPL Tuticorin	100.59	23.89	37.81	13.53	19.75	195.57
NPCIL MAPS	17.86	4.24	6.71	2.40	3.51	34.72
Kaiga-UNIT I & II	66.32	15.75	24.93	8.92	13.02	128.95
Kaiga-UNIT III	71.98	17.10	27.06	9.68	14.13	139.95
NPCIL KKNPP-UNIT I	118.23	28.08	44.44	15.90	23.21	229.87
NPCIL KKNPP-UNIT II	113.67	27.00	42.73	15.29	22.31	221.00
Damodar Valley Corporation (Mejia)	96.95	23.03	36.44	13.04	19.03	188.50
Damodar Valley Corporation (Koderma)	121.19	28.79	45.56	16.30	23.79	235.63
SOLAR NTPCVVNL (Rajasthan) (OLD)	30.32	9.66	12.40	5.14	7.48	65.00
NTPC-NTPCVVNL Solar (New)	278.34	90.73	114.00	47.34	69.60	600.00
Balance National Solar Mission (Pavagada)	700.00	150.00	200.00	100.00	100.00	1250.00
Total	3393.230	816.839	1175.890	520.136	645.197	6551.293

Name of the ESCOMs	% allocation	Amount in Rs crores
BESCOM	51.795	2.250
GESCOM	12.468	0.542
HESCOM	17.949	0.780
MESCOM	7.939	0.345
CESC	9.848	0.428
TOTAL	100.000	4.344



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No. of Corrections.....Nil.....



## 10.0 Independent Power Producers

The generation of 1200 MW of UPCL Unit -1 & Unit-2 taken at 85% of 90% installed capacity as per PPA/ approval given by Government. Tariff in respect of control period 2019-20 to 2023-24 is yet to be determined by CERC and hence the auxiliary consumption of 5.75% as per CERC Regulation 2019 and additional auxiliary consumption 1.2% allowed by CERC vide order dated 20.02.2014 and 10.07.2015 is taken. The capacity charges determined by CERC in the order dated 22.01.2020 applicable for FY 2018-19 is considered for FY 2023-24. The average variable cost for the month of April 2022 to Oct-2022 is considered for FY 2023-24

Table-10

Stations	Energy in Mus	Fixed cost Rs in Cr	Reimbursement charges Rs crores	Variable cost paise per unit
UPCL	1277.20	1091.48	29.7289	1087.90

### Month wise Variable cost per unit

Month	Rs /unit
Apr-22	9.943
May-22	11.035
Jun-22	11.035
Jul-22	11.035
Aug-22	11.035
Sep-22	11.035
Oct-22	11.035
Average	10.8790

## 11.0 Non-conventional Energy Source (NCE source)

11.1 The actual generation of NCE projects for the year 2021-22 has been considered for FY 2023-24 including Solar, Co-generation, Bio-mass, Wind Mills and Mini Hydel projects..



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No. of Corrections.....*nil*.....





## Annual Revenue Requirement for FY-24

11.2 Ministry of power allocated un allocated power of coal based NTPC stations for bundling with solar power in ratio of 1.2 (unallocated power: Solar power) as envisaged under National Solar Mission Phase-II, Batch-II Tranche-I has been surrendered on 15.7.2021.

11.3 ESCOM wise NCE energy projected for FY2023-24 is shown in **Table 11**.

Energy in MUs

Existing NCE Projects	BESCOM	GESCOM	HESCOM	MESCOM	CESC	Total
Co-generation	0.00	69.53	602.39	0.00	47.79	719.71
Biomass	101.35	43.17	0.00	0.00	2.14	146.66
Mini Hydel	562.79	162.25	62.90	415.67	290.57	1494.18
Wind mill	2547.98	1354.86	1931.06	251.18	178.72	6263.80
KPCL wind mill	6.95	0.00	0.00	0.00	0.00	6.95
Solar	4334.69	1049.86	1802.44	727.27	992.28	8906.54
Solar rooftop	109.79	0.00	0.00	0.00	12.13	121.92
KPCL Solar	3.43	2.47	1.53	0.00	0.00	7.43
NTPC Bundled power Coal	235.95	75.19	96.51	40.01	58.18	505.84
NTPC Bundled Power Solar-Sr region	56.21	17.91	22.99	9.53	13.86	120.50
Captive/Banking energy	3.98	0.00	151.12	0.00	0.00	155.10
NTPC Bundled Power Solar, Pavagada	640.55	208.79	262.35	108.94	160.17	1380.80
<b>Total</b>	8603.66	2984.03	4933.30	1552.60	1755.84	19829.42
<b>New NCE Projects</b>						0.00
<b>Co-generation</b>	0.00	0.00	0.00	0.00	0.00	0.00
Biomass	0.00	0.00	0.00	0.00	0.00	0.00
Mini Hydel	0.00	0.00	0.00	0.00	0.00	0.00
Wind mill	0.00	0.00	0.00	0.00	0.00	0.00
Solar Power @ Pavagada	99.86	0.00	0.00	0.00	0.00	99.86
Farmer 1 to 3						
Solar Power Under VGF Scheme						
Solar Power Under	0.00	0.00	0.00	0.00	0.00	0.00



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No. of Corrections... 0/11



### Annual Revenue Requirement for FY-24

Existing NCE Projects	BESCOM	GESCOM	HESCOM	MESCOM	CESC	Total
Talukwise scheme						
<b>Total D2</b>	99.86	0.00	0.00	0.00	0.00	99.86
<b>Total of D1&amp;D2</b>	8703.53	2984.03	4933.30	1552.60	1755.84	19929.29

11.4 The average cost of the year 2021-22 is considered for Hydro , wind and , Solar. The tariff in respect of commission order dated 15.11.2021 has been considered for Co-generation projects..

### 12.0 Jurala Project

The ESCOMs having a share of 50% from Jurala Priyadarshni Hydro Electric Projects ie 117 MW. The net energy exported to Karnataka from Jural Priyadarshni Hydro Electric Projects for the year 2021-22 is considered for FY 2023-24. The TSERC vide tariff order dated 22.03.2022 has determined the capacity charges for the project for the control period from 1.4.2019 to 31.3.2024. The 50% of the capacity Charges applicable for FY 2023-24 as determine by the TSERC is considered

**Table-13**

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
Energy in Mus	-0.128	-0.112	2.112	22.16	21.136	59.76
Amount in Rs Cr	5.12	5.12	5.12	5.12	5.12	5.12

	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Total
Energy in Mus	52.48	3.92	1.328	-0.08	-0.064	-0.08	162.432
Amount in Rs Cr	5.12	5.12	5.12	5.12	5.12	5.12	5.12

13.0 The energy from T. B. Dam power is shared between AP/Telangana and Karnataka. The 1/5<sup>th</sup> share of revenue expenditure and energy has been shared between two states. The actual cost and energy supplied for the FY 2021-22 is considered for FY 2023-24. The power purchase cost and energy from T. B. Dam has been estimated at 44.85 MUs and Rs. 2.10 crore.



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No. of Corrections... Nil





Annual Revenue Requirement for FY-24

Table-14

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	
Energy in Mus	0.86	-0.33	-0.19	2.3	10.08	4.98	
Amount in Rs crore	0.08	0.12	0.06	0.06	0.08	0.08	
	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Total
Energy in Mus	6.22	2.63	4.24	4.55	4.67	4.85	44.85
Amount in Rs crore	0.11	0.65	0.16	0.09	0.21	0.38	2.1

14.0 The projected energy and cost has been allocated among the ESCOMs is as detailed below(except Renewable source)

SI no	Energy allocation in %						Total
	Source	BESCOM	GESCOM	HESCOM	MESCOM	CESC, Mysore	
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	Almatti	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						



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No. of Corrections.....*nih*.....



Annual Revenue Requirement for FY-24

Sl no	Energy allocation in %						
	Source	BESCOM	GESCOM	HESCOM	MESCOM	CESC, Mysore	Total
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
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

15.0 Considering the above percentage of Energy allocation , ESCOMs wise energy and cost projected for the financial year 2023-24 is as below:



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*K. J. Jari*  
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No. of Corrections... *0/1/1* .....





### Annual Revenue Requirement for FY-24

ESCOMs	Energy requirement in MUs	Power Purchase cost (Rs/Crores)	Average cost (Rs./unit)
BESCOM	34774.06	21396.38	6.15
GESCOM	9732.78	5389.12	5.54
HESCOM including Hukkeri Society & AEQUS	15575.23	6541.67	4.20
MESCOM	6313.75	3171.00	5.02
CESC, Mysore	8245.68	4018.16	4.87
<b>Total</b>	<b>74641.50</b>	<b>40516.34</b>	<b>5.43</b>

### 4.3 Capital Investment Plan

The following table shows the achievement of CAPEX of CESC in past six years;

Particulars	FY-17	FY-18	FY-19	FY-20	FY-21	FY-22
Capital Investment approved by the Commission	707.00	889.00	972.25	700.00	650.00	650.00
Actual capital investment incurred	467.64	535.00	479.38	585.88	955.89	585.81
Percentage of actual capital investment to the approved capital investment	66.14%	60.18%	49.31%	83.70%	147.06%	90.12%

The capital investment plan for FY-23 & FY-24 is as shown below;

For FY-2022-23,

(Rs in Crores)

SL. NO.	SCHEMES	BUDGET ALLOCATED FOR THE YEAR 2022-23
1	Extension and Improvement	190.35
2	IPDS IT Phase - II	33.74
3	DDUGJY	1.43
4	DDG	0.00
5	Replacement of failed transformers	2.00



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No. of Corrections.....

*K. Srinivas*  
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CESC, Mysuru



Annual Revenue Requirement for FY-24

SL. NO.	SCHEMES	BUDGET ALLOCATED FOR THE YEAR 2022-23
6	Service Connection (WS, IP SET, New Connection)	342.46
7	TSP - Energisation of IP Set	0.22
8	SCP - Energisation of IP Set	0.90
9	Special development Programme (SDP)	18.62
10	Ganga Kalyana - Energisation of IP Set	69.34
11	Tools and plants	6.00
12	Civil Engineering works	25.00
13	Providing meters to DTC, BJKJ, Street light, Replacement of electromechanical meters, Providing modems to meters for communication, Providing LT Distribution box with MCCB	9.75
14	IT initiatives	2.21
15	PM KUSUM	1.00
16	New Projects	21.98
	<b>Total</b>	<b>725.00</b>

Capital Investment Plan for the Financial Year 2023-24 (FY-24)

Rs in Crs

SL NO	SCHEMES	BUDGET PROPOSED FOR FY 24 (RS IN CRORES)
1	Extension and Improvement	200.00
2	Replacement of failed transformers	5.00
3	Service Connection( WS,IP SET,New connection)	325.00
4	TSP-Energisation of IP Set	5.00
5	SCP-Energisation of IP Set	10.00
6	Special development Programme (SDP)	20.00
7	Gangakalyana-Energisation of IP Set	115.00
8	Tools & plants	10.00

CESC Mysuru ARR/ERC of FY-24

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No. of Corrections.....*nil*.....

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CESC, Mysuru





### Annual Revenue Requirement for FY-24

9	Civil Engineering works	25.00
10	Providing meters to DTC, BJKJ, Streetlight, Replacement of electromechanical meters, Providing modems to meters for communication, Providing LT Distribution box with MCCB	20.00
11	IT initiatives-	
a	Software Licenses and Antivirus cost maintaining cyber security	1.00
b	Up gradation of deteriorated IT Infrastructure	2.00
c	Fixing of DTC Meter/ 4G Modems to achieve AMR for RAPDRP area	2.00
12	DSM Activities	10.00
<b>Total</b>		<b>750.00</b>

### The scheme wise investment programme for FY-24 is as below

- 1. Extension and Improvement work:** CESC has taken steps to improve its distribution network to cater to the increasing load growth in its system, reduce the breakdowns and interruptions, provide additional distribution transformers in towns and villages, provide link lines to evacuate power from newly established Stations/MUSS by KPTCL, provide Express feeders from Stations, re-conductoring the existing lines to increase capacity or to replace aged /deteriorated conductors, replace deteriorated Poles etc. For these works provision of **Rs.200.00 Crores** has been made.
- 2. Replacement of failed Transformers:** In some cases, the failed transformer is to be scrapped and if it needs to be replaced by a new transformer, it has to be accounted under capex. Hence budget provision of **Rs.5.00 Crores** is made.
- 3. Service Connection works:** Arranging Power supply to lighting and power installations, Electrification of Households of poor families, who does not have electricity-Belaku Yojane (Other than those covered under DDUGJY & Saubhagya scheme) and providing infrastructure to IP set works covered under service connection works. As per the directions of GoK dated: 14.07.2014, all the UNIP sets regularized before this cutoff date are being provided with infrastructure without any discrimination with newly registered IP sets after this cutoff date. Further, provision will also be made for providing



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No. of Corrections.....*nih*.....

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infrastructure to the upcoming new IP set applicants. Hence budget has been made all put together for **Rs.325.00 Crores**.

4. **Special Component Plan (SCP) and Tribal Sub-Plan (TSP):** Budget grants for energization of IP sets/, Electrification of Households of poor families, who does not have electricity-Belaku Yojane (Other than those covered under DDUGJY & Saubhagya scheme) under SC and ST Category were released by the Government under SCP and TSP programmes. Hence budget provision of **Rs.10.00 Crores** has been made under SCP and **Rs.5.00 Crores** has been made under TSP.
5. **Special development Programme (SDP):** As per Dr.Nanjundappa committee report there are 20 Nos. of backward Taluks in CESC area for which budget provision are made for infrastructure development in Energy Sector. Hence provision of **Rs.20.00 Crores** has been made under SDP.
6. **Gangakalyana works:** Arranging power supply to IP sets under Ganga Kalyana Scheme in which the beneficiaries are identified and the applications are registered by the concerned Development Corporations. For these works, annual targets are set by CESC. In order to achieve the target, the Ganga Kalyana works are awarded under Total/ Partial turnkey basis. Hence budget provision of **Rs.115.00 Crores** is made
7. **Purchase of T&P Materials:** Materials for safety and prevention of accidents are purchased under T&P account head for which budget provision of **Rs.10.00 Crores** has been made under T&P.
8. **Civil Engineering Works:** For construction of office buildings and other civil related works budget provision of **Rs.25.00 Crores** has been made under Civil Engineering Works.
9. **Metering programme:** It is planned to provide Meters to DTC, BJ/KJ, Street Lights, replacement of electromechanical meters, providing modems to meters for communication, Providing LT Distribution box with MCCB, for which budget provision of **Rs.20.00 Crores** has been made under Metering Programme.



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No. of Corrections... Nil





10. **IT initiatives and Additional works:** Information Technology (IT) enablement in 21 towns are being implemented. Additional works such as:

- Software Licenses and Antivirus cost maintaining cyber security
- Up gradation of deteriorated IT Infrastructure
- Fixing of DTC Meter/4G Modems to achieve AMR for RAPDRP area for which budget provision of, **Rs. 5.00 Crores** has been made under IT initiative works.

11. **DSM Activities:** Budget provision of **Rs 10.00 Crores** has been made for DSM activities.

**Sources of funding**

For FY-24, for the purpose of ARR, the Commission has considered Rs.425 Crores as capital borrowings. The remaining amount will be met from grants from Central/ State Governments, internal sources, borrowings and equity, to meet the capex.

- UNIP: Loan from Commercial Banks or Financial and Equity from GOK.
- E&I Works: Loan from Commercial Bank or Financial Institutions and Equity from GOK.
- Ganga Kalyana Works: Funds from SC and ST Development Corporations & Equity from GOK and Internal Resources.
- SCSP, TSP and SDP: Equity from GOK and Internal Resources.
- T&P, Civil and Other Works: Internal Resources.



29 NOV 2022

No. of Corrections.....*NK*

*Krupa*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru



#### 4.4 Distribution loss for FY-24

In the Tariff order 2022 dated 04.04.2022, the approved distribution loss is as follows,

PARTICULARS	FY-24
Upper limit	10.60
Average	10.35
Lower limit	10.10

Target fixed by the Commission will be achieved and CESC proposed the distribution loss for FY-24 as 10.60%.

#### 4.5 O&M Expenses

As per the principles laid down by KERC, O&M cost consists of the following expenses.

5. R&M expenses
6. Employee costs
7. A&G expenses.

The O&M expenses are computed as per thereof MYT Regulations 2006 in which KERC has indicated that the O&M expenses for the Base Year, if required, will be used for projecting the expenses for each year of the control period, besides the Licensee shall also propose appropriate Inflation Factor Norms for operation and maintenance expenses for the control period.

The indexation considered for the respective years is furnished below:-

O&M expenses (R&M, Employee cost and A&G expenses)			
SI No	Particulars	FY23	FY24
(a)	Weighted inflation index of CPI and WPI (WII)	6.96%	6.16%
(b)	Consumer Growth index (CGI)	4.34%	4.59%
(c)	Efficiency factor (X)	2.00%	2.00%
(d)	<b>O&amp;M cost increase proposed for the year=(a)+(b)-(c)</b>	<b>9.30%</b>	<b>8.75%</b>

#### Weighted inflation index of CPI and WPI

Consumer growth index, which is linked to increase (CAGR) in no. of consumers and Efficiency factor.



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*R. J. Jaisri*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections... *nil*





As per the Regulations of the Commission, the O&M cost is a controllable expense and the Licensee is required to work on moving towards efficient cost. Hence, the Commission has set an efficiency factor.

Based on all the three factors, the Commission considered the growth in O&M expenses for the control period by applying the formula.

For the computation of O&M expenses, the consumer growth rate (CPI) based on 3 year CAGR and inflation index based on CERC methodology is considered.

### CERC Methodology:

\*\*\* Incorporated as per Tariff Order 2022\*\*\*

### Annual escalation rate computation

Year No. (t)	Year	WPI	CPI	% of WPI	% of CPI	Composite series	yt/y1=Rt	Ln Rt	Year -1 (t-1)	Product [(t-1) x	
1	2010	89.7	61.1	20%	80%	66.82					
2	2011	98.2	66.5	20%	80%	72.84	1.09	0.09	1	0.09	
3	2012	105.7	72.7	20%	80%	79.3	1.19	0.17	2	0.34	
4	2013	111.1	80.6	20%	80%	86.7	1.30	0.26	3	0.78	
5	2014	114.8	85.7	20%	80%	91.52	1.37	0.31	4	1.26	
6	2015	110.3	90.8	20%	80%	94.7	1.42	0.35	5	1.74	
7	2016	110.3	95.3	20%	80%	98.3	1.47	0.39	6	2.32	
8	2017	114.1	97.6	20%	80%	100.9	1.51	0.41	7	2.88	
9	2018	118.9	102.4	20%	80%	105.70	1.58	0.46	8	3.67	
10	2019	121.2	110.2	20%	80%	112.4	1.68	0.52	9	4.68	
11	2020	121.8	116.3	20%	80%	117.4	1.76	0.56	10	5.64	
12	2021	135	122	20%	80%	124.6	1.86	0.62	11	6.85	
A = Sum of "product" column										30.25	
B= 6 times (6 x A)										181.51	
C= (n-1) x n x (2n-1);		3036	12								3036
D = B/C										0.06	
g (Exponential Factor) = Exponential (D) -1										0.062	
e = Annual Escalation Rate (%) = g x 100										6.1611	
<b>Rounded off to 6.16</b>										<b>6.16</b>	

As could be seen above for computation of inflation of indices:-

- 12 years past data has been considered
- Composite series data of calendar years are (not financial years) considered.



29 NOV 2022

No. of Corrections.....*2/4*

*K. K. K.*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru



## Annual Revenue Requirement for FY-24

- WPI and CPI component are considered at 20% and 80% respectively for calculating composite series data.
- The WPI and CPI indices are updated regularly in the following web sites.  
Ministry of Commerce and industry: <http://eaindustry.nic.in/>  
Labour bureau, GoI: <http://www.labourbureau.gov.in/indtab.html>

Hence, for determining the normative O&M expenses for FY-23 & FY-24, the annual escalation growth rate of 6.16% is considered. The computation of normative O&M expenses is as per the methodology adopted by the Commission in its Tariff Order 2022 for FY-23 dated: 04.04.2022

### Computation of Normative O&M expenses for FY-23 & FY-24:

Particulars	FY22	FY23	FY24
No. of Installations as per audited accounts	3583588	-	-
No. of Installations projected	-	3743230	3912327
Weighted inflation index	7.96%	6.96%	6.16%
Consumer Growth index (CGI) Based on 3 years CAGR	4.23%	4.34%	4.59%
Actual O&M expenses incurred for FY-22 (Rs.Crs)	818.56	-	-
O&M Cost $\uparrow = O\&M(t-1) * (1+WII+CGI-X)$ (Rs.Crs)	-	894.65	972.89

- Efficiency factor, X = 2% for CESC

The O&M expenses for FY-24 is calculated duly by considering the following

- The actual O&M expenses of FY-22 (as per audited accounts) to arrive at the O&M expenses for the base year i.e., FY-23.
- The 3 year CAGR of the number of installations considering the actual number of installations and as projected for FY-24 at 4.59%.
- The weighted inflation index (WII) at 6.1611% as computed above.
- Efficiency factor at 2% as considered in the earlier control periods.

Based on the above parameters, the requirement of O&M expenses is projected for FY-23 & FY-24.

### R&M expenses

(Rs in Crs)			
SL NO.	PARTICULARS	FY-23	FY-24
	<b>Repairs and maintenance to:</b>		
1	Plant and Machinery	43.99	47.84

CESC Mysuru ARR/ERC of FY-24

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29 NOV 2022

*Ranjani*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections.....*nile*.....





### Annual Revenue Requirement for FY-24

SL NO.	PARTICULARS	FY-23	FY-24
2	Buildings	5.05	5.50
3	Other civil works	4.38	4.77
4	Lines, Cable Network, etc	23.86	25.95
5	Vehicles	0.09	0.10
6	Office Equipment's	0.49	0.53
	<b>Total</b>	<b>77.87</b>	<b>84.68</b>

### Employee cost

(Rs in Crs)

SL NO.	PARTICULARS	FY23	FY24
		Estimated	Projected
1	Salaries	340.20	369.95
2	Overtime	6.88	7.48
3	Dearness Allowance	73.89	80.35
4	Other Allowances	43.77	47.59
5	Bonus	5.44	5.92
6	<b>Sub-Total (1 to 5)</b>	<b>470.18</b>	<b>511.30</b>
7	Medical expenses reimbursement	6.55	7.12
8	Leave travel Assistance	-	-
9	Earned Leave Encashment	38.48	41.85
10	Earned Leave Encashment -Rtd., employees	6.95	7.56
11	Payment under Workmen's Compensation Act	0.67	0.73
12	Payment to Helpers/ Employees of Storm and Monsoon Gang	0.62	0.67
13	<b>Total Other staff costs ( 7 to 12)</b>	<b>53.27</b>	<b>57.93</b>
14	Staff Welfare expenses	3.00	3.26
15	Terminal Benefits	173.83	189.04
16	<b>Sub-total (14 to 15)</b>	<b>176.83</b>	<b>192.30</b>
17	Addition liability on account of revision in Actuarial valuation of P& G percentage rates	4.29	2.05
18	<b>Grand Total</b>	<b>704.57</b>	<b>763.57</b>



29 NOV 2022

No. of Corrections.....

*K. S. Srinivas*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru



## Annual Revenue Requirement for FY-24

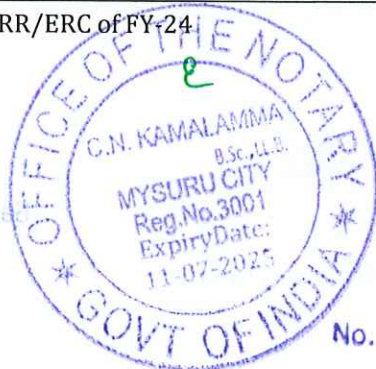
### Administration and General Charges

(Rs. in Crs)

SL NO.	PARTICULARS	FY23	FY24
		ESTIMATED	PROJECTED
1	Rent, Rates and Taxes	4.49	4.88
2	Service tax	0.00	0.00
3	Insurance on fixed assets	0.00	0.00
4	Fringe Benefit Tax	0.00	0.00
5	Pagers, Cellular phones, E-Mail, Telephone etc	2.35	2.55
6	Postage	0.18	0.20
7	Revenue receipt stamps/Computer billing	18.02	19.59
8	Legal charges	0.80	0.87
9	Audit fee	0.10	0.11
10	Consultancy charges	0.12	0.13
11	Technical fee	0.00	0.00
12	Other professional charges & Remuneration paid to contract agencies	50.70	55.13
13	Conveyance & Travel expenses, Vehicle running expenses	19.68	21.40
14	Shared expenses of CESC with KPTCL	0.00	0.00
	<b>Sub-total</b>	<b>96.42</b>	<b>104.85</b>
	<b>Other expenses</b>		
15	Fees & subscription (incl. KERC filling charges)	0.13	0.14
16	Books, Periodicals and dairies	0.01	0.01
17	Printing & Stationery	1.61	1.75
18	Factory license fees	0.00	0.00
19	Advertisement expenses	0.18	0.19
20	Computer stationary & floppies	0.05	0.06
21	Contributions	1.99	2.17
22	Electricity charges	1.45	1.58
23	Water charges	2.04	2.22
24	Revenue expenditure incurred on software	7.95	8.65
25	Miscellaneous expenses (recoveries)	2.34	2.54
	<b>Total other expenses</b>	<b>17.75</b>	<b>19.30</b>

CESC Mysuru ARR/ERC of FY-24

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29 NOV 2022

*K. S. Sani*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections... *NK* .....



**Annual Revenue Requirement for FY-24**

SL NO.	PARTICULARS	FY23	FY24
		ESTIMATED	PROJECTED
26	Freight & other material related expenditure	0.00	0.00
27	Vehicle running expenses (Store)	0.28	0.31
28	Transaction Charges paid to Revenue collecting agencies	1.73	1.89
29	Expenditure related to EESL for energy savings	0.00	0.00
30	A & G Expenses related to KPTCL /ESCOMS P & G Trust	0.26	0.29
	<b>TOTAL</b>	<b>116.46</b>	<b>126.64</b>

**Fund towards Consumer Relations/ Consumer Education:**

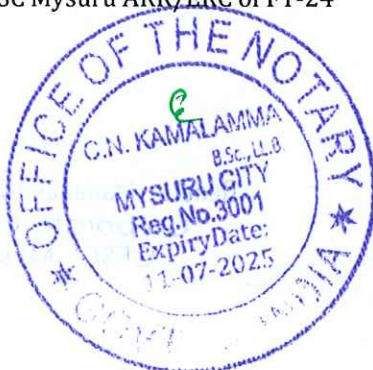
The Hon'ble Commission has approved funds towards the consumer relations/ consumer education to an extent of Rs.0.50 Crs for FY-23 & FY-24. CESC is not proposing any modification to this expenditure.

**Abstract of O & M Expenses:**

(Rs. In Crs)					
SI No	Particulars	FY-21	FY-22	FY-23 Estimated	FY-24 Projected
1	Repairs & Maintenance	73.51	71.25	77.87	84.68
2	Employee	602.24	640.79	704.64	763.65
3	Administrative & General	102.45	106.59	116.46	126.64
<b>Total</b>		<b>778.20</b>	<b>818.63</b>	<b>898.90</b>	<b>974.89</b>
<b>Pay scale impact during FY-23 &amp; FY-24</b>		-	-	<b>93.56</b>	<b>108.71</b>

The O&M expenses calculated in accordance with CERC methodology for FY-24 is Rs.972.91 Crs. The additional expense of Rs.2.00 Crs is due to the payment towards P&G trust order no: KEPGT/ KCO123/ P7/2022-23/Cys-08 Bengaluru, dated: 02.09.2022. The contribution towards pension revised from 64% to 65.37% with effect from 01.04.2021 and onwards.

The anticipated revision of pay scale is proposed to be effected from FY-23 and onwards. The pay scale is calculated considering a hike of 22%. CESC humbly prays the Hon'ble Commission to consider the same.



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*K. S. J. S.*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections... 4



## 4.6 Depreciation

For the computation of depreciation, the following factors are considered.

- Gross fixed assets at the beginning of the year (i.e., closing GFA of FY-22)
- Gross block average of opening and closing balance of fixed assets projections on the capex and categorization of assets.
- The consumer contribution/grants are deducted based on the opening and closing balance of such assets duly considering the addition of assets.

SI No	Particulars	(Rs. in Crs)	
		FY23 Estimated	FY24 Projected
1	Land and rights	0.07	0.08
2	Building and structures	7.46	8.15
3	<b>Plant and Machinery</b> Substation Transformers, Circuit breakers, other fixed apparatus of rating 100 MVA and above.	65.79	71.89
4	Towers, Poles, fixture, overhead conductors, UG cables and devices	315.91	345.2
5	Hydraulic Works/Civil works	0.35	0.38
6	Other Civil Works	0.14	0.15
7	Vehicles	0.98	1.07
8	Furniture Fixtures	3.33	3.64
9	Office Equipment's	1.18	1.29
10	Software (intangible asset)	-	-
11	<b>Total</b>	<b>395.21</b>	<b>431.85</b>
12	<b>Less: Depreciation on assets created out of Consumer contribution/ grants</b>	89.13	91.70
13	<b>Net Depreciation</b>	<b>306.08</b>	<b>340.15</b>

## 4.7 Interest & finance charges

The Interest and finance charges include the following costs

- Interest on Capital loans
- Interest on Working Capital
- Interest on Consumer Security Deposit



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No. of Corrections...*mik*.....

*K. S. S. S.*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru





## Annual Revenue Requirement for FY-24

- Interest and other expenses capitalized
- Other Interest and finance charges

### Interest on Capital Loan:

The status of opening and closing balances of capital loans (secured & unsecured) and the interest on capital loans is as follows,

(Rs. in Crs)		
PARTICULARS	FY-23	FY-24
Opening balance of long-term secured & unsecured loans	1693.94	1929.46
Add: New Loans	400	425
Less: Repayments	164.48	170.26
Total Loan at the end of the year	1929.46	2184.2
Average loan	1811.70	2056.83
Weighted average rate of interest on long term loans in %	9.07%	10.50%
<b>Interest on long term loans</b>	<b>164.32</b>	<b>216.01</b>

In the Tariff Order-2022 dated: 04.04.2022, the Hon'ble Commission has approved Rs.400Crs for FY-23 & Rs.425 Crores for FY-24 as capital borrowings. For working out the interest on capital loans, the Commission approved figures are considered.

### Interest on Working Capital:

The working capital is the expenses incurred towards interest and finance charges stemming from the borrowings for the investment plan together with the short-term cash requirement for day-to-day requirements. The interest on working capital is calculated taking consideration of modified gross fixed assets, one twelfth of the amount of O&M expenses and one sixth of the revenue and considering the interest on working capital at prime lending rate of RBI.

The calculations are as below;

(Rs. in Crs)		
PARTICULARS	FY-23	FY-24
One twelfth of the amount of O&M expenses	74.91	81.29
Opening GFA	6697.64	7200.33
Store, materials and supplies-1% of opening balance	66.98	72.00
One sixth of the revenue	891.23	928.79
Total Working Capital	1033.12	1082.08
Rate of Interest (% p.a)	10.55%	10.55%



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No. of Corrections.....*04*

*K. S. Javali*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru



## Annual Revenue Requirement for FY-24

Interest on Working Capital	107.43	112.78
Proposed interest on loan taken under LPS rules	36.35	109.05
Interest on IREDA loan for payment of Solar & Wind Projects/generators	50.16	0
Proposed Interest on WC including the loans taken for PP dues	193.94	221.83

The Marginal Cost of Funds based Lending Rate (MCLR) of SBI as on November 15<sup>th</sup>, 2022 for tenure of 1 year is 8.05%. Considering 250 basis points, the interest on working capital is considered as 10.55% per annum for FY-23 & FY-24.

Loan amount of Rs.600 Crs has been availed for payment of power purchase bills of Solar & Wind generators from Indian Renewable Energy Development Agency Limited. Interest of Rs.50.16 Crs towards this amount is included in the interest on working capital.

As per the gazette notification dated: 03.06.2022 of Ministry of Power, Government of India, Electricity (LPS) rules 2022, has been notified and has instructed to clear the outstanding power purchase dues by ESCOM's own revenue and by availing loans from Commercial Banks/ Financial Institutions. As CESC is not in a position to clear the outstanding power purchase dues as on 03.06.2022, it has applied for loan of Rs.1398.05 Crs at interest rate of 8.80% +1% Govt guarantee on annual rest.

### Interest on Consumer Security Deposits:

The actual interest paid towards the consumer security deposits is as follows,

Particulars	(Rs. in Crs)	
	FY-23	FY-24
Opening Balance of Consumer Deposits	872.88	986.35
Growth rate of deposits over previous year	113.47	128.23
Closing Balance of Consumer Deposits	986.35	1114.58
Average	929.615	1050.465
Rate of interest at bank rate	6.15%	6.15%
<b>Interest on consumer security deposit</b>	<b>57.17</b>	<b>64.60</b>

The bank interest rate fixed by RBI on 30.09.2022 is 6.15% is considered for calculation of interest on consumer security deposit.



29 NOV 2022

*K. Ravi*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections: *nil*



**Other Interest and Finance charges:**

The other interest and finance charges paid to banks/financial institutions to raise loans for FY-22 including the guarantee commission paid to GoK is as follows,

PARTICULARS	(Rs. in Crs)	
	FY-23 ESTIMATED	FY-24 PROJECTED
Other interest & finance charges	3.20	3.20
Guarantee Commission to GoK	9.50	9.50
<b>Total</b>	<b>12.70</b>	<b>12.70</b>

**Capitalization of interest and finance charges:**

The capitalization of interest on capital loan for FY-23 & FY-24 is **Rs.10.00 Crores.**

The abstract showing the Interest & finance charges for FY-22 is as follows:

Interest and Finance charges	(Rs. in Crs)	
	FY-23 Estimated	FY-24 Projected
Interest on Capital loans	190.25	216.01
Interest on Working capital loans	143.78	221.82
Interest on belated payment on PP Cost	0	0
Interest on consumer security deposit	57.17	64.60
Other interest & Finance charges	12.7	12.7
<b>Total Interest &amp; Finance charges</b>	<b>403.90</b>	<b>515.14</b>
Less : interest & other expenses capitalised	-10	-10
<b>Total</b>	<b>393.90</b>	<b>505.14</b>

**4.8 Other debits**

The other debits calculated is as follows,

SI No	Particulars	FY 23 Estimated	FY 24 Projected
1	Small and Low value items written off	0.02	0.02
2	Computer Rentals/Maintenance charges	0.00	-
3	Losses/gains relating to Fixed assets	1.23	1.34
4	Assets decommissioning cost	0.81	0.88
5	Bad debts written off	0.33	0.36
6	Provisions for bad and doubtful debts	-0.23	(0.25)



29 NOV 2022

No. of Corrections... *nk*

*K. S. Srinivas*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru



## Annual Revenue Requirement for FY-24

SI No	Particulars	FY 23 Estimated	FY 24 Projected
7	Miscellaneous losses and write offs	8.07	8.79
8	Material cost variance	0.00	-
9	Bad & doubtful debts provided for others	0.98	1.06
	<b>Grand Total</b>	<b>11.20</b>	<b>12.20</b>

### 4.9 Net prior period charges

The Commission has not been considering the projections prior period charges for the reason that, the same cannot be estimated beforehand. Hence the same is not projected.

### 4.10 Return on Equity

Due to negative net worth ROE has not been calculated

### 4.11 Taxes on income

In the MYT application for all the years of the control period, the company's books show accumulated losses & hence no provision has been made for taxes. If any taxes (including MAT) are payable/paid the same will be claimed as per actuals.

### 4.12 Non-tariff income, income from other business

The non-tariff income/ other income includes

SI No.	Particulars	FY 23 Estimated	FY 24 Projected
a	Interest on Bank fixed deposits	1.49	1.56
b	Profit on sale of stores	0.23	0.24
c	Sale of Scrap	9.54	10.01
d	Other Misc Receipts from trading	0.01	0.02
e	Other income ( NEF Subsidy Received-REC towards repayment of Interest on Capex loan )	8.17	-
f	Rental from Staff Quarters	1.96	2.05
g	Rental from others	0.97	1.02
h	Excess found on physical verification of stock	0.12	0.13
i	Commission for collection of electricity duty	1.12	1.18

CESC Mysuru ARR/ERC of FY-24

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No. of Corrections.....*nikh*.....

*K. Ramesh*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru





## Annual Revenue Requirement for FY-24

SI No.	Particulars	FY 23 Estimated	FY 24 Projected
j	Misc. recoveries	142.94	150.09
k	Incentives received	14.65	15.39
l	One Time maintenance cost for New Layouts	1.72	1.81
m	Supervision Charges	12.09	12.69
n	Depreciation withdrawn from Contribution/subsidies as per AS-12	89.13	91.70
	<b>Total</b>	<b>284.14</b>	<b>287.89</b>
o	Depreciation withdrawn from consumer contribution/subsidies as per AS-12	89.13	91.70
	<b>Grand Total</b>	<b>195.01</b>	<b>196.19</b>

### Expected Revenue from Charges:

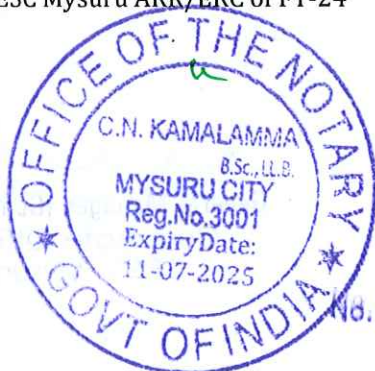
CESC Mysuru is earning revenue as per tariff determined by the Hon'ble Commission from time to time. In accordance with the tariff order 04.04.2022, the estimated expected revenue from charges for FY-24 and projected the revenue at the existing tariff and the proposed tariff is furnished as under,

The Format D-21 is prepared as per the actual consumption and load pattern available as per FY-22. The Projections for FY-23 & FY-24 are made accordingly as per the tariff order dated 04.04.2022.

### 4.13 Expenditure Summary for FY-23 & FY-24

Summary of CESC expenses are as follows:

Particulars	(Rs. in Crs)	
	FY-23	FY-24
Power Purchase	3961.32	4603.2
R&M Expense	77.87	84.68
Employee Expenses	704.57	763.57
A&G Expenses	116.46	126.64
Depreciation	395.21	431.85
Interest & Finance Charges	418.21	505.14
Other Debits (incl. Prov for Bad debts)	11.2	12.2
Funds towards Consumer Relations/Consumer Education	0.5	0.5
<b>Total Expenditure</b>	<b>5685.34</b>	<b>6527.78</b>
<b>Less Non-Tariff Income</b>	<b>-284.14</b>	<b>-287.88</b>
<b>Deficit of FY-22 carried to FY-24</b>	<b>0</b>	<b>-382.57</b>
<b>Annual Revenue Requirement</b>	<b>5401.2</b>	<b>6622.48</b>



29 NOV 2022

*K. S. Sani*  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

No. of Corrections.....



#### 4.14 ABSTRACT OF ARR FOR FY-23 & FY-24:

Based on the above analysis, the summary of ARR for the Wires Business and Supply Business, for FY-23, and FY-24 is placed in the table as follows,

SI No.	Particulars	Actuals of FY-22	FY-23		FY-24	
			Approved	Estimated	Approved	Projected
1	Energy @ Gen Bus in MU	8390.87	7967.33	7967.33	8137.86	8245.68
2	Energy @ Interface in MU	7537.42	7739.15	7677.4	7912.93	8017.77
3	Sales in MU:					
	Sales to other than IP & BJ/KJ	3617.70	3590.47	3759.29	3738.15	3916.8
	Sales to BJ/KJ	95.12	96.56	96.07	96.56	97.03
	Sales to IP	2971.38	3224.03	3000.56	3259.23	3154.07
	<b>Total Sales in MU</b>	<b>6684.20</b>	<b>6911.06</b>	<b>6855.92</b>	<b>7093.94</b>	<b>7167.89</b>
4	<b>Revenue at existing tariff in Rs Crs</b>					
	Revenue from tariff and Misc Charges	2996.16	3299.33	3345.88	<b>5503.93</b>	3475.45
	Tariff subsidy in BJ/KJ	77.9	73.48	86.85		78.69
	Tariff subsidy in IP	1800.14	1989.23	1910.93		2018.6
	<b>Total Existing Revenue</b>	<b>4874.2</b>	<b>5362.04</b>	<b>5343.66</b>		<b>5572.74</b>
5	<b>Expenditure in Rs Crs</b>					
	Power purchase cost	3529.33	3398.52	3398.52	3511.37	4018.16
	Transmission charges of KPTCL	494.39	559.13	559.13	580.93	580.93
	SLDC & PCKL charges	3.98	3.67	3.67	3.43	4.11
	<b>Power purchase cost including cost of transmission</b>	<b>4027.7</b>	<b>3961.32</b>	<b>3961.32</b>	<b>4095.73</b>	<b>4603.2</b>
6	Repairs & Maintenance	71.25	901.66	77.87	979.46	84.68
	Employee cost	640.72		704.57		763.57
	Admin & General Expenses	106.59		116.46		126.64
	<b>Total O&amp;M Expenses</b>	<b>818.56</b>		<b>898.9</b>		<b>974.89</b>
7	Depreciation	261.66	284.21	395.21	317.4	431.85
8	<b>Interest and Finance charges</b>					
	Interest on Capital loans	144.3	146.88	164.4	165.83	216.01
	Interest on Working capital loans	110.16	97.51	193.94	100.99	221.83
	Interest on belated payment on PP Cost	57.04	0	0	0	0



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No. of Corrections: *nil*





Annual Revenue Requirement for FY-24

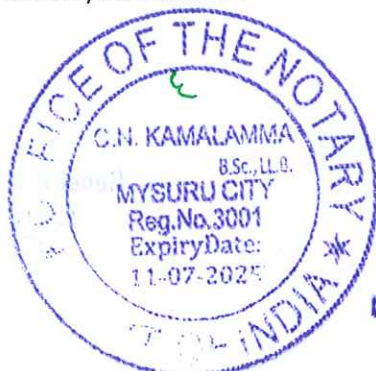
Sl No.	Particulars	Actuals of FY-22	FY-23		FY-24	
			Approved	Estimated	Approved	Projected
	Interest on consumer security deposit	29.4	37.25	57.17	40.22	64.6
	Other interest & Finance charges	12.7	5.18	12.7	5.44	12.7
	Less : interest & other expenses capitalised	-6.8	-10	-10	-10	-10
	<b>Net Total Interest &amp; Finance charges</b>	<b>346.8</b>	<b>276.82</b>	<b>418.21</b>	<b>302.48</b>	<b>505.14</b>
9	Other Debits	10.18	0	11.2	0	12.2
10	Funds towards Consumer Relations/ Consumer Education	0	0.5	0.5	0.5	0.5
11	<b>Total Expenditure</b>	<b>5464.90</b>	<b>5388.54</b>	<b>5685.34</b>	<b>5559.81</b>	<b>6527.78</b>
12	Other Income	-208.14	-113.13	-284.14	-135.77	-287.88
13	<b>ARR</b>	<b>5256.76</b>	<b>5388.54</b>	<b>5401.2</b>	<b>5559.81</b>	<b>6239.90</b>
14	Deficit carried forward	0	215.4	0	0	-382.57
15	<b>Net ARR</b>	<b>5256.76</b>	<b>5603.94</b>	<b>5401.2</b>	<b>5559.81</b>	<b>6622.48</b>
16	<b>Surplus/Deficit</b>	<b>-382.57</b>		<b>-57.54</b>		<b>-1049.74</b>

CESC Mysuru is not proposing any modifications for FY-23 in this filing and it is considered only for projecting FY-24.

**Note:** Energy Department, Government of Karnataka vide order no: ENERGY/ 168/ PSR/2022 Bengaluru dated: 15.11.2022 has notified that the balance of the contribution towards the Pension for 2021-22 and 2022-23 of Rs.3353.27 Crores, which is to be paid by the GoK, shall be claimed in the tariff rate from FY-2023-24 onwards in three equal installments. It is learnt that, KPTCL will raise this amount in its tariff filing hence CESC has not considered its portion in respect of contribution towards pension in its filing.

**Segregation of ARR into Distribution and Retail Supply business:**

The consolidated ARR has been segregated into ARR for Distribution business and ARR for Retail Supply business based on the Commission's existing ratio of segregation of ARR.



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No. of Corrections.....*m*.....

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**ARR for Distribution business for FY-24**

PARTICULARS	FY-23	FY-24
Power Purchase	0.00	0.00
R&M Expense	38.16	41.49
Employee Expenses	345.24	374.15
A&G Expenses	57.07	62.05
Depreciation	331.98	362.75
Interest on Loans	361.04	440.54
Interest on Consumer Deposits	0.00	0.00
Other Debits (incl. Prov for Bad debts)	8.06	8.78
Funds towards Consumer Relations/Consumer Education	0.00	0.00
<b>Total Expenditure</b>	<b>1141.54</b>	<b>1289.77</b>
<b>Less Non-Tariff Income</b>	<b>-5.68</b>	<b>-5.76</b>
<b>Deficit of FY-22 carried to FY-24</b>	<b>0.00</b>	<b>0.00</b>
<b>Annual Revenue Requirement</b>	<b>1135.86</b>	<b>1284.02</b>

**ARR for Retail Supply business for FY-24**

PARTICULARS	FY-23	FY-24
Power Purchase	3961.32	4603.20
R&M Expense	39.71	43.19
Employee Expenses	359.33	389.42
A&G Expenses	59.39	64.59
Depreciation	63.23	69.10
Interest on Loans	0.00	0.00
Interest on Consumer Deposits	57.17	64.60
Other Debits (incl. Prov for Bad debts)	3.14	3.42
Funds towards Consumer Relations/Consumer Education	0.50	0.50
<b>Total Expenditure</b>	<b>4543.80</b>	<b>5238.01</b>
<b>Less Non-Tariff Income</b>	<b>-278.46</b>	<b>-282.12</b>
<b>Deficit of FY-22 carried to FY-24</b>	<b>0.00</b>	<b>382.57</b>
<b>Annual Revenue Requirement</b>	<b>4265.34</b>	<b>5338.47</b>



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No. of Corrections... Nil

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## 5. Compliance to Commission's Directives

The Commission, in its Tariff order 2021 dated: 9<sup>th</sup> June 2021, while reviewing the compliance of its directives issued in its earlier Tariff Orders, has reiterated the directives issued by the Commission. The Commission has been reviewing the compliance thereof, on regular basis. However, in the Tariff Order 2022 dated: 4<sup>th</sup> April 2022, the Commission has dropped few directives.

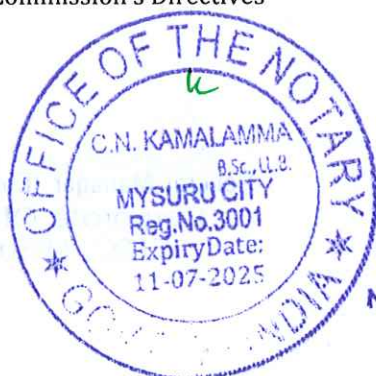
### 5.1 Directive on conducting Consumers Interaction Meetings in the O & M sub-divisions for redressal of consumer complaints:

#### Commission's Views:

The CESC has submitted the details of consumer interaction meetings conducted in its jurisdiction during FY21 and 1<sup>st</sup> and 2<sup>nd</sup> quarter of FY22. The Commission had directed the ESCOMs to conduct the consumer interaction meetings in the Sub-Divisions chaired by either the jurisdictional Superintending Engineer or the jurisdictional Executive Engineer to effectively redress the consumer grievances. The Commission notes the submission made by CESC that, such meetings are being conducted every Quarter in its entire area covering all Sub-Divisions.

The Commission desires that, such meetings shall be continued duly ensuring that the meetings are strictly chaired by either the jurisdictional Superintending Engineer or the jurisdictional Executive Engineer and no other officer of the lower rank. The Commission also decided that, if the consumer interaction meetings are conducted in the Sub-Divisions without the participation of the Superintending or the Executive Engineer, it will be considered as non-compliance of the Commission's directives and the Commission would consider imposing a penalty of up to Rs. One lakh per O&M Sub-Division per quarter for each instance of non-compliance and also direct that such penalty shall be recovered from the personal account of the concerned Superintending Engineer or Executive Engineer, as the case may be, who fails to conduct such meetings.

**During the pandemic, it is difficult to conduct the CIMs effectively in the physical presence of the general public. In view of this, in order to keep the**



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No. of Corrections.....*mn*.....

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**continuity of the conduct of CIMs, CESC is directed to explore the possibility of conducting the CIMs online, during such situations.**

The Commission, therefore reiterates its directive to the CESC to conduct Consumer Interaction Meetings (CIM) chaired by either the jurisdictional Superintending Engineer or jurisdictional Executive Engineer once in a quarter, in each of the O&M Sub-Divisions, to redress the consumer grievances relating to supply of electricity. Before the conduct of such meetings, advance notices shall be sent to the stakeholders by email / website and through SMS (by maintaining /updating the consumer database). Information on the schedule of the Consumer Interaction Meeting, date, time, venue etc., shall be published in the form of news item in the leading local / regional newspapers, at least 3 days prior to the conduct of the meeting, to ensure that more number of consumers take part in such meetings. Proceeding of conduct of such meetings shall be uploaded in the website of the CESC for reference of the needy consumers and a report in the prescribed format shall be sent to the Commission after the end of each quarter.

In addition to the quarterly meetings chaired by the Superintending Engineer (EI) (SEE) or the Executive Engineer (EI) (EEs), the concerned Asst. Executive Engineer shall conduct the CIM on third Saturday of every month so as to attend to the grievance of the consumers, as is being done in other ESCOMs.

A Quarterly report on the compliance shall be submitted to the Commission regularly in the format given in the previous Tariff Order, along with a copy of the proceedings of each meeting.

**Compliance by the CESC:**

The CESC is conducting Consumer Interaction Meetings chaired by the jurisdictional Superintending Engineers/Executive Engineers, in each O&M sub-divisions according to pre-published schedule, once **in a quarter**. The schedule has been published on the CESC's website <https://cescmysore.karnataka.gov.in/> and the consumers are being invited to such meetings in advance through notices on the CESC's website, local newspapers etc., to facilitate participation of maximum number of consumers in such meetings.

The proceedings of such meetings are also being recorded and uploaded on the CESC's website, for the information of consumers.

In addition to the quarterly meetings chaired by the Superintending Engineer (EI) (SEE) or the Executive Engineer (EI) (EEs), the concerned Asst.



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No. of Corrections.....*nil*.....

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## Compliance to the Commission's Directives

Executive Engineers of the O&M Sub-divisions are conducting consumer interaction meetings on third Saturday of every month.

Quarterly statements in prescribed format of quarterly CIMs conducted are regularly submitted to the commission.

The abstract of Consumers' Interaction Meetings conducted in CESC Mysuru jurisdiction for FY-22 is as below:

### 1<sup>st</sup> Quarter of FY-22

SL. NO	NAME OF THE CIRCLE	NO. OF SUB-DIVISIONS EXISTING	NO. OF SUB-DIVISIONS IN WHICH CIM IS CONDUCTED	OB OF COMPLAINTS	NO. OF CONSUMERS ATTENDED	NO OF COMPLAINTS RECEIVED	NO. OF COMPLAINTS DISPOSED	CB OF COMPLAINTS
1	MYSURU	21	4	59	25	19	71	7
2	CHAMARAJANAGAR-KODAGU	13	0	26	0	0	26	0
3	MANDYA	13	0	18	0	0	18	0
4	HASSAN	15	3	7	14	9	16	0
<b>TOTAL</b>		<b>62</b>	<b>7</b>	<b>110</b>	<b>39</b>	<b>28</b>	<b>131</b>	<b>7</b>

### 2<sup>nd</sup> Quarter of FY-22

SL. NO	NAME OF THE CIRCLE	NO. OF SUB-DIVISIONS EXISTING	NO. OF SUB-DIVISIONS IN WHICH CIM IS CONDUCTED	OB OF COMPLAINTS	NO. OF CONSUMERS ATTENDED	NO OF COMPLAINTS RECEIVED	NO. OF COMPLAINTS DISPOSED	CB OF COMPLAINTS
1	MYSURU	21	21	7	188	135	78	64
2	CHAMARAJANAGAR-KODAGU	13	13	0	50	58	28	30
3	MANDYA	13	13	0	89	54	35	19
4	HASSAN	15	15	0	22	22	18	4
<b>TOTAL</b>		<b>62</b>	<b>62</b>	<b>7</b>	<b>349</b>	<b>269</b>	<b>159</b>	<b>117</b>

### 3<sup>rd</sup> Quarter of FY-22

SL. NO	NAME OF THE CIRCLE	NO. OF SUB-DIVISIONS EXISTING	NO. OF SUB-DIVISIONS IN WHICH CIM IS CONDUCTED	OB OF COMPLAINTS	NO. OF CONSUMERS ATTENDED	NO OF COMPLAINTS RECEIVED	NO. OF COMPLAINTS DISPOSED	CB OF COMPLAINTS
1	Mysuru	21	21	64	164	88	97	55
2	Chamarajanagar-	13	13	30	41	41	45	26

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No. of Corrections.....*nk*.....

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Compliance to the Commission's Directives

SL. NO	NAME OF THE CIRCLE	NO. OF SUB-DIVISIONS EXISTING	NO. OF SUB-DIVISIONS IN WHICH CIM IS CONDUCTED	OB OF COMPLAINTS	NO. OF CONSUMERS ATTENDED	NO OF COMPLAINTS RECEIVED	NO. OF COMPLAINTS DISPOSED	CB OF COMPLAINTS
	Kodagu							
3	Mandya	13	13	19	45	43	62	0
4	Hassan	15	15	4	21	24	28	0
<b>Total</b>		<b>62</b>	<b>62</b>	<b>117</b>	<b>271</b>	<b>196</b>	<b>232</b>	<b>81</b>

4th Quarter of FY-22

SL. NO	NAME OF THE CIRCLE	NO. OF SUB-DIVISIONS EXISTING	NO. OF SUB-DIVISIONS IN WHICH CIM IS CONDUCTED	OB OF COMPLAINTS	NO. OF CONSUMERS ATTENDED	NO OF COMPLAINTS RECEIVED	NO. OF COMPLAINTS DISPOSED	CB OF COMPLAINTS
1	Mysuru	21	21	55	139	100	135	20
2	Chamarajanagar-Kodagu	13	13	26	38	38	45	19
3	Mandya	13	13	0	54	50	50	0
4	Hassan	15	15	0	16	11	11	0
<b>Total</b>		<b>62</b>	<b>62</b>	<b>81</b>	<b>247</b>	<b>199</b>	<b>241</b>	<b>39</b>

The abstract of Consumers' Interaction Meetings conducted in CESC Mysuru jurisdiction for 1st & 2nd quarter of FY-23 is as below:

1st Quarter of FY-23

SL. NO	NAME OF THE CIRCLE	NO. OF SUB-DIVISIONS EXISTING	NO. OF SUB-DIVISIONS IN WHICH CIM IS CONDUCTED	OB OF COMPLAINTS	NO. OF CONSUMERS ATTENDED	NO OF COMPLAINTS RECEIVED	NO. OF COMPLAINTS DISPOSED	CB OF COMPLAINTS
1	MYSURU	21	21	20	133	74	79	15
2	CHAMARAJANAGAR-KODAGU	13	13	19	45	53	47	25
3	MANDYA	13	13	0	61	46	46	0
4	HASSAN	15	15	0	13	12	12	0
<b>TOTAL</b>		<b>62</b>	<b>62</b>	<b>39</b>	<b>252</b>	<b>185</b>	<b>184</b>	<b>40</b>



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No. of Corrections... nile

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## Compliance to the Commission's Directives

### 2nd Quarter of FY-23

SL. N O	NAME OF THE CIRCLE	NO. OF SUB-DIVISIONS EXISTING	NO. OF SUB-DIVISIONS IN WHICH CIM IS CONDUCTED	OB OF COMPLAINTS	NO. OF CONSUMERS ATTENDED	NO OF COMPLAINTS RECEIVED	NO. OF COMPLAINTS DISPOSED	CB OF COMPLAINTS
1	MYSURU	21	21	15	164	99	65	49
2	CHAMARAJANA GAR-KODAGU	13	13	25	46	49	47	27
3	MANDYA	13	13	0	139	49	49	0
4	HASSAN	15	15	0	107	79	79	0
<b>TOTAL</b>		<b>62</b>	<b>62</b>	<b>40</b>	<b>456</b>	<b>276</b>	<b>240</b>	<b>76</b>

Every third Saturday of the month, Consumer interaction meetings are conducted. These meetings are chaired by the respective Sub-divisional officers in the concerned O&M sub-divisions. Further, "Vidyuth Adalat" is conducted on the third Saturday of every month in different places which are chaired by the officials' viz. Managing Director, Director Technical, Chief Engineers, Superintendent Engineers, Executive Engineers and Assistant Executive Engineers.

Statement showing the details of Consumer Interaction meeting in the Commission prescribed format for FY-22 & FY-23 (upto September-22) is annexed as **Annexure-7**.

The consumers are utilizing the CIM facility to solve their grievances. Thus CESC is ensuring consumer satisfaction and reliable power supply.

The compliance regarding the same is submitted to the Commission regularly.

### **5.2 Directive on preparation of energy bills on monthly basis by considering 15 minute's time block period in respect of EHT/HT consumers importing power through power exchange under Open Access.**

#### **Commission's Views:**

The Commission notes that the CESC has complied with the directive by initiating preparation of energy bills on monthly basis considering the 15 minute's



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No. of Corrections.....*orik*

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## Compliance to the Commission's Directives

time block period in respect of EHT / HT consumers importing power through power exchange under Open Access. It is seen that the introduction of 15 minute's billing has resulted in significant quantum of energy saving of 0.9567 MU during FY21 and 0.7975 MU during FY22 till September 2021. The stand taken by the Commission in directing the CESC to prepare monthly EHT / HT consumer bills based on 15 minute's time block period has prevented a revenue loss of Rs.0.6974 Crores to CESC during FY21, and Rs.0.6069 Crores during FY22 till September 2021, as reported by CESC in its replies to preliminary observations.. The CESC is required to adhere to the directive and submit regularly month-wise details of number of open access consumers, open access units scheduled / consumed and illegally banked energy if any along with the details of revenue gain.

CESC shall ensure that the scheme of 15 minutes' time block billing is enforced on all applicable EHT / HT consumers from the month from which the necessary infrastructure was available.

**The Commission reiterates its directive that the CESC shall continue to prepare the energy bills on monthly basis considering the 15 minute's time block period in respect of all EHT / HT consumers importing power through power exchanges under open access. Since this is a routine billing issue to be attended by CESC, the Commission decides not to pursue it further and drop this directive.**

### Compliance by the CESC:

CESC is billing the Open Access Consumers based on 15 minute block period in respect of EHT/ HT consumers importing power through power exchange under Open Access. The compliance for FY-22 is submitted to the Commission.

The month-wise open access consumers, open access units scheduled/consumed and illegally or inadvertently banked energy details for FY-22 are furnished as following,

MONT H	CONSUMPTION IN MU	OA ENERGY SCHEDULED IN MU	OA ENERGY CONSUMED IN MU	ILLEGALLY BANKED ENERGY IN MU	WHEELLED ENERGY IN MU	CESC ENERGY IN MU	ENERGY CHARGES IN CRS	TOTAL BILL AMOUNT IN CRS
Apr-21	38.88	12.21	8.73	3.49	16.30	13.85	10.29	17.76
May-21	38.17	12.04	11.94	0.10	16.65	9.64	7.16	14.43
Jun-21	37.65	8.08	7.92	0.16	24.61	5.12	3.84	15.73

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No. of Corrections..... Nil





## Compliance to the Commission's Directives

MONT H	CONSUMP TION IN MU	OA ENERGY SCHEDU LED IN MU	OA ENERGY CONSU MED IN MU	ILLEGA LL Y BANKED ENERGY IN MU	WHEELE D ENERGY IN MU	CESC ENERGY IN MU	ENERGY CHARG ES IN CRS	TOTAL BILL AMOUNT IN CRS
Jul-21	28.78	9.49	9.31	0.18	13.85	5.62	4.22	10.99
Aug-21	23.90	3.87	3.73	0.14	12.25	7.92	5.96	9.52
Sep-21	17.90	0.93	0.92	0.02	15.02	2.02	1.51	4.72
Oct-21	2.90	0.52	0.51	0.01	0.74	1.65	1.24	1.68
Nov-21	20.95	3.61	3.57	0.03	10.27	7.12	5.35	7.59
Dec-21	21.01	5.24	5.17	0.07	9.84	6.00	4.51	7.78
Jan-22	18.96	4.13	4.01	0.08	9.74	5.25	3.95	5.95
Feb-22	19.65	2.66	2.62	0.00	9.39	7.65	5.76	9.29
Mar-22	12.78	0.82	0.80	0.00	4.54	7.45	5.61	7.14
TOTAL	<b>281.53</b>	<b>63.60</b>	<b>59.22</b>	<b>4.28</b>	<b>143.17</b>	<b>79.30</b>	<b>59.42</b>	<b>112.58</b>

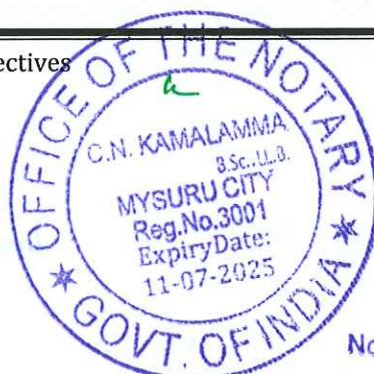
In the Tariff Order 2022 dated: 04.04.2022, Commission has reiterated its directive that the CESC shall continue to prepare the energy bills on monthly basis considering the 15 minute's time block period in respect of all EHT / HT consumers importing power through power exchanges under open access. Since this is a routine billing issue to be attended by CESC, the Commission has decided to drop this directive. CESC adheres to the directions of the Hon'ble Commission.

### 5.3 Directive on Energy Conservation:

#### Commission's Views:

It is observed by the Commission that the CESC is not submitting the compliance regularly on implementation of this directive. CESC has not issued any Circulars towards implementation of the directives in its jurisdiction.

Further, it is also observed that CESC has merely stated that it is pursuing on servicing the consumer installations with 5 star rated equipment without elaborating on this or submitting the detailed progress made so far. The Commission is of the view that, merely pursuing the consumer to provide 5 star rated equipment without actually doing nothing in the field is highly misleading and amounts to non-compliance of the directive by the CESC. The CESC needs to verify factually as to whether there is any progress made in the field in servicing of the BEE 5-star rated equipment such as Air Conditioners, Fans,



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No. of Corrections.....





## Compliance to the Commission's Directives

Refrigerators, etc., in the consumers' premises. Also, The CESC needs to review the implementation of the directive with the field officers periodically to know about the progress.

The Commission notes that the CESC has not submitted the compliance in respect of ensuring and providing of LED lamps / energy efficient lamps while servicing of new streetlight / high mast installations including extensions made to the existing streetlight circuits. This shows that the CESC has not implemented the directive in its letter and spirit, to take forward the initiative of conservation of energy.

It is observed that, CESC has just informed that, it has implemented energy conservation measures in all offices of CESC where incandescent & CFL lights were replaced by LED lights. But has not indicated any detail on the energy saving achieved by implementation of energy conservation measures, no's of offices in which it is implemented etc.

The Commission has also notes that CESC has implemented "Hosa Belaku" and "Pavan" programme under which it is distributing energy efficient lamps, fans, etc., to the consumers which appears to have had limited success.

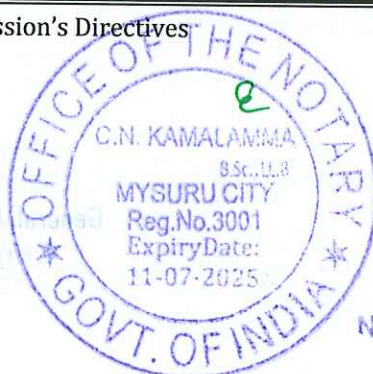
**Considering the overall progress in implementing the directive, the Commission finds that this could have been much better. Therefore, the Commission directs CESC to focus on effective implementation of this directive by reviewing periodically the progress of implementation in the field and take necessary corrective steps.**

CESC has not furnished the detail of the conduct of awareness programs to the consumers / public. The Commission directs CESC to conduct more number of awareness programs to the consumers/ public, encouraging the use of LED bulbs, energy efficient electrical equipment etc., by making use of the fund reserved for customer relation / education program. CESC has to extend the replacement of high-power consuming lights by energy consuming LED bulbs and LED tube lights scheme to all of its offices in a phased manner to make them a model office to achieve energy savings and their benefits to the consumer at the large. The Commission has not noticed any perceptible progress in implementation of such a scheme by CESC in the past three to four (3-4) years.

**The Commission reiterates its directive with the directions to service all new streetlight / high mast installations including extensions made to the existing streetlight circuits only after ensuring that the LED lamps / energy efficient lamps like induction lamps are provided to the streetlights and compliance thereon**

Commission's Directives

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No. of Corrections.....*nike*

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shall be submitted to the Commission once in a quarter on a regular basis.

Since the directive on use of energy efficient by consumers is of only advisory in nature and is not directly related to ESCOMs but at the same time not difficult to implement, in the interest of the energy conservation, the Commission directs CESC to continue its efforts towards the conservation of energy. Hence, the Commission would not pursue this Directive hereafter and hereby drops the directive.

**Compliance by the CESC:**

CESC is servicing all new streetlight installations with Energy Efficient lights/Equipment of LED lamps/ Energy Efficient induction lamps. As per the inventory of streetlight installations, about 50% of existing street light installations were replaced by LED lights by the local bodies viz., Corporation, Municipalities and Panchayats.

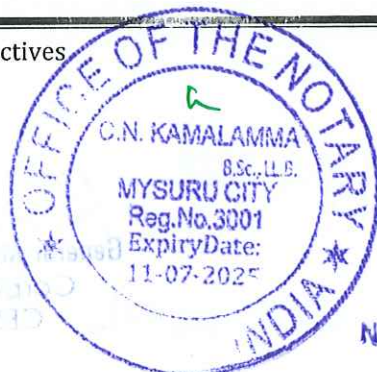
Energy Conservation Measures are implemented in 273 no's of offices of CESC, where incandescent and CFL lights were replaced by LED lights.

Advertisements in daily newspapers were published i.e in Prajavani, Vijaya Karnataka, and The Hindu on 01.12.2021 to create awareness among consumers to use 5 star rated equipment's and to save energy

Under "Hosa belaku" Yojane following number of LED bulbs, Tube lights and Energy Efficient Fans were distributed till March-22.

Sl. No.	Energy Efficient Equipment	Quantity in Nos.
1	9W Led Bulb	45,72,348
2	20W LED tube light	60,090
3	50W Energy Efficient Fan	14,813

In the Tariff Order 2022 dated: 04.04.2022, the Commission has directed CESC to continue its efforts towards the conservation of energy and has decided to drop this directive. CESC will adhere to the directions of the Hon'ble Commission.



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No. of Corrections.....*h*.....



## 5.4 Directive on implementation of Standards of Performance (SoP)

### Commission's Views:

Since Karnataka State has surplus power availability, it has become all the more essential duty of CESC to supply quality and reliable power to consumers. Hence, the Standards of Performance (SoP) for Distribution Licensees specified by the Commission need to be implemented in its letter and spirit.

The Commission, while taking note of the compliance by CESC, reiterates that the CESC shall continue to adhere to the specified Standards of Performance in rendering various services to consumers in a time bound manner.

In order to make the consumers aware of the SoP prescribed by the Commission and enable the consumers to get prompt services from CESC, it is duty to display the Standards of Performance in all its offices, website etc.,

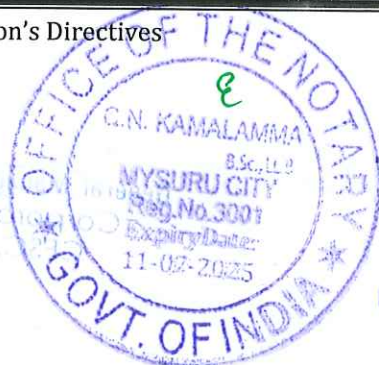
As per the submission made by CESC, in its tariff application, it is observed that, CESC has failed to conduct the awareness campaigns on SoP for consumers at Hobli level. CESC has not furnished the details of such campaigns in its filing.

Hence, the Commission while taking note of the compliance by CESC, reiterates that the CESC shall continue to adhere to the directives on the specified Standards of Performance in rendering various services to consumers in a time bound manner.

Further, the Commission directs the CESC 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. The Commission also directs CESC 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.

**The Commission also directs the CESC to arrange to display the SoP in the format mentioned in the previous Tariff Order in its official web site for information of the consumers.**

**SoP should be displayed in each of the Section Office and Sub-Division Office, in a conspicuous place, which can be viewed by all the visitors to the Office. It should be mentioned at the end of SoP that, consumers can claim the compensation from the concerned officer by filing a complaint before the CGRF**



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No. of Corrections..... Nil





## Compliance to the Commission's Directives

**in the Form - A, available in the KERC (CGRF and Ombudsman) Regulations, 2004.**

The Commission reiterates and directs CESC to continue to conduct awareness campaign at the Hobli levels for educating the public about the Standards of Performance prescribed by the Commission. CESC shall 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.

Further, the Commission directs CESC to publish and keep circulating the "HAND BOOK" (Kaipidi in Kannada) in Kannada on the SoP and arrange to distribute to all the staff and stake holders.

CESSC shall consider and continue bringing in a system of recognizing the best performing Sub-Division / Section in terms of adherence to SoP and publicize such recognition so as to incentivize better performance from the officers / personnel concerned.

**While reiterating its directive, CESC is hereby directed to conduct awareness programme to its officers and staff on these Rules and ensure that these Rules are implemented in all its letter and spirit. The Commission would regularly monitor the implementation of these Rules by the ESCOMs.**

### Compliance by the CESC:

CESSC has already implemented the specified Standards of Performance while rendering services related to supply of power as per the KERC (Licensee's Standards of Performance) Regulations, 2004. CESC has displayed prominently in Kannada the details of various services such as replacing of the failed transformers, attending to fuse off call / line breakdown complaints, arranging new services, change of faulty energy meters, reconnection of power supply, etc., rendered as per Schedule-1 of the KERC (Licensee's Standards of Performance) Regulations, 2004 and Annexure of the KERC (Consumer Complaints Handling Procedure) Regulations, 2004, on the notice boards in all the O & M sections and O & M subdivisions for the information of consumers.

### Implementation of Commission's Directive on SoP as on Sep- 2022

SI No	Circle	Mysuru	Chamarajanagar & Kodagu	Mandya	Hassan	CESSC Total
1	No of O&M Sub Divisions Existing	21	13	13	15	62



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No. of Corrections.....*Nh*



## Compliance to the Commission's Directives

Sl No	Circle	Mysuru	Chamarajanagar & Kodagu	Mandya	Hassan	CESC Total
2	No of O&M Sections Existing	88	55	61	63	267
3	No of O&M Sub Divisions where the details displayed	21	13	13	15	62
4	No of O&M Sections where the details displayed	88	55	61	63	267
5	No of Complaints received for the delay in rendering the service	0	0	0	0	0
6	Amount paid to the consumer in Rs	0	0	0	0	0
7	Number of awareness campaigns conducted in hobli level for educating consumers	CESC is giving awareness to consumers regarding SoP in Janasamparka sabhe & Vidyuth Adalath				
8	No of Orientation program conducted for educating the officers and field staff up to the level of Powermen on the sop and consequences for non-adhering	Institutional training has been arranged for 290 numbers of powermen in three batches and 744 numbers of Orientation program has been conducted.				
9	Action taken on publishing the handbook(ಕ್ಯೆಪಿಡಿ ) on sop and distributing to all the staff and stakeholders	Sufficient nos of hand books are issued to each division in FY-21				
10	Remarks/awards given to best performing subdivision/ section in respect of adherence to sop	1)NR mohalla, 2)V.V mohalla divisions 3)Kuvemp unagar sub division	-	1)Panda vapura,, 2)Naga mangal a divisions 3)mand ya sub division	1)Arasik ere division .2)Hass an sub division	

The compliance regarding the same is being submitted to the Commission regularly.

### 5.5 Directive on use of safety gear by linemen/Power men

#### Commission's Views:

It has been brought to the notice of the Commission by the consumers that the safety gears / equipment are not being used by all the linemen at work in the field. The report of the CEIG on accidents has also highlighted that the failure to use safety gears by the field staff is the major cause for accidents in CESC area. As a result, the number of electrical accidents is increasing every



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No. of Corrections... 01/1/2





year. The Commission considers that failure to provide appropriate safety gear / equipment to the staff at work place amounts to a serious violation of human rights by CESC.

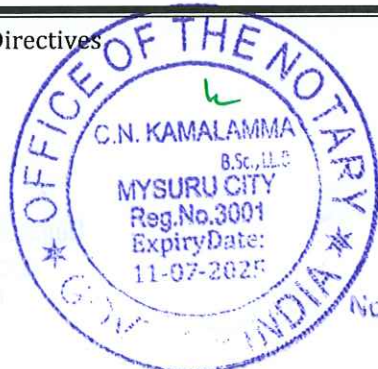
**The Commission hereby directs that adequate quantity of all safety gears /equipment shall be procured periodically and sufficient inventory of these materials shall also be maintained. CESC should take action to empanel standard suppliers of safety gear / equipment, so that the procurement is quicker and regular.**

The Commission further notes that electrical accidents are occurring in the distribution system mainly due to non-adherence to safety procedures by the field staff, while working on the distribution network. Therefore, it is very important that the CESC should focus on safety aspects in its operations with a view to reduce or minimize the electrical accidents.

The Commission, while taking note of the compliance by CESC on the directive, stresses that the CESC should continue to give attention to safety aspects in order to reduce and prevent electrical accidents occurring due to negligence / non-adherence of safety procedures by the field staff while carrying out the work on the distribution network.

It is noted that CESC has not furnished details of any training being organized on safety aspects to the linemen. The linemen and other field staff should be given appropriate training periodically on adherence to safety aspects / procedure, and such training modules should include case studies of the actual accidents that have occurred in CESC and their causes, so that the training is current and relevant. Study of such case studies will help in taking the matter seriously and would enable the staff to carry out their work safely / effectively.

**The Commission reiterates its directive that the CESC shall ensure that, all the linemen and other field staff are provided with adequate and appropriate safety equipment and the linemen and other field staff should use the same while carrying out the work in the field. The compliance in this regard shall be submitted once in a quarter to the Commission regularly. Protocols should be drawn on procedures to be adopted / roles and responsibilities fixed in respect of all those involved in working on (live) lines / installations for repairs etc., based on the case studies.**



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No. of Corrections.....*h*.....



**Compliance by the CESC:**

The CESC has provided proper and adequate safety gear to the linemen in its jurisdiction and is ensuring that the Powermen use such safety gear provided while working on the distribution system.

The CESC has directed the field officers to monitor the proper up keep of the safety gear provided and keep in stock reasonable spare sets of safety gear and also monitor the use of the same by Powermen and **take disciplinary action on the concerned if violations are noticed.**

From 07.02.2022 to 14.02.2022, "Arivu Saphaha" was conducted in all the 267 sections, wherein one of the main agenda was to emphasize the use of safety gear among the field staff.

Implementation of the Commission's Directive on use of safety gear by Powermen as on September- 2022 have been furnished as below:

SL NO	NAME OF THE CIRCLE	TOTAL NOS POWERMEN		NO. OF POWERMEN PROVIDED WITH SAFETY GEAR		NO. OF POWERMEN YET TO PROVIDED WITH SAFETY GEAR	
		REGULAR	CONTRACT	REGULAR	CONTRACT	REGULAR	CONTRACT
1	MYSORE	1192	0	1192	0	0	0
2	CHAMARAJANAGAR-KODAGU	803	0	803	0	0	0
3	MANDYA	925	0	925	0	0	0
4	HASSAN	1032	0	1032	0	0	0
<b>CESC TOTAL</b>		<b>3952</b>	<b>0</b>	<b>3952</b>	<b>0</b>	<b>0</b>	<b>0</b>

All the Powermen are provided with the safety equipment's and the safety equipment's are used by the field staff extensively.

The compliance regarding the same is being submitted to the Commission regularly.

**5.6 Directive on providing Timer Switches to Street lights by the CESC:**

**Commission's Views:**

The Commission notes that, as per the data furnished, as on November 2021 the remaining number of Streetlight installations to be provided with timer switches is 23,030 as against the number of 26,100 as per details submitted in the



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No. of Corrections..... Nil

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## Compliance to the Commission's Directives

replies to preliminary observations of CESC. From the above, it is seen that, in spite of directives CESC is servicing the Streetlight installations without the timer switches.

The Commission notes that the progress of providing timer switches to street lights as compared to the previous year is very poor. This shows that the CESC has not given adequate focus to the issue, and has not monitored and coordinated with the concerned local authorities, in installation of timer switches while servicing the new street light installations.

Thus, the inaction and failure of the CESC has actually resulted in increase in the number street light installation requiring timer switches. Failure to remedy this situation would not only result in wastage of electricity, but also shorter life of the installations and resultant avoidable expenditure on their replacement. Hence, CESC should seriously pursue this matter with the concerned local authorities, in an effective way to ensure fixing of timer switches while servicing the new installations and also repairs of faulty timer switches.

CESC has not given focus to this issue and appear to have not coordinated with the concerned local authorities in installation of timer switches while servicing the new street light installations. CESC has not provided any comprehensive reply to the directives of the Commission.

**The Commission directs CESC to service all the new Street Light installations only with timer switches. It should initiate necessary disciplinary action on the erring officers who service such streetlight installation without a timer switch and provide details to the Commission every quarter.**

**It is the bounden duty of the Distribution Licensee to service the new or the extended circuit of the street light installations by following the directions of the Commission.**

Hence, the Commission directs CESC to seriously pursue this matter with the concerned local authorities strictly to ensure fixing of timer switches while servicing the new installations and also repairs of faulty timer switches. CESC shall also explore the possibilities of fixing the timer switches to the existing streetlight installations through Corporate Social Responsibility activities and availing the services of EESL etc.,

**While reiterating the directive, the Commission decides to drop this Directive with the hope that CESC would take forward this issued with all**



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No. of Corrections... nil

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## Compliance to the Commission's Directives

seriousness in the interest of energy conservation and saving the power purchase cost of CESC.

### Compliance by the CESC:

The details of Timer switches existing at the end of March-22 is as follows:

No. of Street light installations	No. of Timer Switches provided till FY-22	Balance no. of Timer switches to be provided
26695	3495	23230

In the Tariff Order 2022 dated: 04.04.2022, the Commission has directed CESC to continue its efforts in the interest of energy conservation and saving the power purchase cost of CESC and has decided to drop this directive. CESC will adhere to the directions of the Hon'ble Commission.

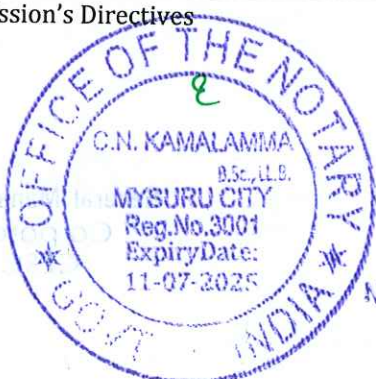
## 5.7 Directive on Load shedding

### Commission's Views:

The Commission takes note of the submission of the CESC that it has taken action to provide information to the consumers through SMS about the time and duration of interruptions in power supply due to various reasons.

The Commission also notes that, CESC is making use of the URJA Mitra App developed by RECTPCL for sending messages to provide the information of scheduled and unscheduled power outages, emergency outages, restoration time, power outage extension time etc., due to the reasons such as system constraints, breakdowns of lines / equipment, maintenance etc., to the consumers, through SMS. CESC has to take further steps and speed up to update the database to cover the entire consumer strength of the Company, to make the App effective.

URJA Mitra mobile application, which can be used as a link between CESC field staff and citizens for facilitation of dissemination of information of outage to all consumers through SMS. The application can also be integrated with any other system. This would significantly address the "consumers' dissatisfaction" on this issue and prevent inconvenience / disruption caused to the consumers especially the industrial consumers.



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No. of Corrections... 011

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## Compliance to the Commission's Directives

The Commission notes that, even though the power availability has improved resulting in surplus power situation, the distribution network reliability has not similarly improved, causing frequent disruptions in power supply, which causes hardship to the consumers and also revenue loss to the CESC. The Commission directs CESC to take remedial measures to minimize power supply interruptions and ensure 24 x 7 power supply.

Further, the Commission considers that, one of the main reasons for power disruption is the failure of the distribution transformers. The failure rate of distribution transformers is increasing thus increasing the interruptions which are causing inconvenience to the consumers. The Commission directs CESC to take remedial measures to minimize power supply interruptions and ensure 24x7 power supply. CESC shall submit the action plan in this regard to the Commission within 3 months of this order.

In the current tariff filing it is informed that the data pertaining to 14.95 lakh consumers are updated in the database. The progress of updating the consumer's database is found to be very poor. Even after the lapse of almost 5 years of use of the App, the data of total consumer strength is not updated in the system.

As per the SoP (indicative Maximum time limit for rendering service), set by the Commission, the CESC is required to restore power supply affected due to DTC failure within 24 Hours in City and Town areas and within 72 Hours in Rural areas. However, during the public hearing the consumers have complained that the CESC is not adhering to the SoP fixed by the Commission and that the field officers are not attending to minor faults and are taking longer time for restoring power supply. It is further noted that, lack of regular maintenance and poor quality of repairs have also contributed to the increase in number of failures of distribution transformers. CESC has not furnished any details regarding the action plan for reducing the distribution transformer failure in its area of operation in the tariff filing.

The Commission had directed CESC to conduct orientation programmes / workshops to the field staff to equip and motivate them to attend to the minor faults at the site itself, wherever possible and restore power supply as quickly as possible. CESC has not furnished any information on action taken on the conduct of such orientation programmes / workshops. CESC was also directed



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No. of Corrections *nil*



## Compliance to the Commission's Directives

to take action for effective monitoring and supervision by periodical maintenance and repairs of transformers and fix personal responsibility on the erring staff / officer in case of poor maintenance and poor quality of repairs.

Further, the Commission directs, the CESC to continue to submit projections of availability and demand for power and any unavoidable load shedding for every succeeding month in the last week of the preceding month to the Commission regularly, without fail.

**The Commission reiterates that the CESC shall comply with the directive on load shedding and submit monthly compliance reports thereon to the Commission regularly.**

### Compliance by the CESC:

CESC is making use of Urja-Mitra application developed by RECTPCL for sending messages to provide the information of scheduled and un-scheduled power outages, emergency outages, restoration time, power outage extension time etc., to the consumers of CESC through SMS via web portal and mobile app. The Consumer database is updating regularly, as on date 14,95,000 consumer's mobile numbers are integrated to the system. Due to backend server problem CESC is unable to update the consumer database in Urja-Mitra application, the same is communicated to the REC and it was rectified in August-2022, now the database updation will be speeded up to cover the entire consumers details of the CESC.

The prior outage information will be conveyed to all the EHT consumers via Whatsapp and all power outages will be hosted in company website & paper notification will also be issued in advance.

In order to provide Quality & Reliable power supply, CESC is regularly conducting preventive breakdown maintenance of all 11KV feeders, Distribution Transformers and LT lines, replacing overhead 11KV lines by UG cable/AB cable, re-conductoring & strengthening of 11KV /LT distribution lines, evacuation of feeder/link lines works . Further HT/LT lines & new DTC's are being added to the existing distribution network every year in-order to improve voltage level, to reduce interruptions & to provide 24\*7 power supply to the consumers of CESC.



29 NOV 2022

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No. of Corrections.....*nih*.....





## Compliance to the Commission's Directives

Distribution Transformer Life cycle Management System(DTLMS) Software was implemented in CESC to monitor the Movement of Transformer, Performance of Transformer, analyzing failure, complete history of a Distribution Transformer from the date of procurement till it is scrapped.

Whatsapp group was also created to monitor the Transformer failure, pending for replacement, Stock Position, to motivate field Officers etc, under the head of Managing Director, CESC.

Committee was formed by consisting Officers of Technical Audit & Quality Control, Meter Testing Division and O&M Division Office to monitor the stage wise repairing of Transformers. There will be a routine inspection of TAQC Officers to Repair Centers to assure quality of work.

CESC has established 15 nos. of Transformer testing centers in all O&M Division headquarters to test the Transformers procured for TTK works/ Company Purchase, Transformers repaired by the repairer and are assured to the required quality.

As per directions of GoK the failed Transformers are replaced within 24 hours except due to some extreme conditions like heavy rain, standing crop, land subsidence, flood etc.

Under Transformer Maintenance Abhiyan, from May-2022 to August -2022 Maintenance works were carried out for 37,511 nos. of Distribution Transformers of different capacity and work is under progress.

Further, on an average of 11,000 nos. of New Transformers are added to the network every year to ease out the overloading of existing Transformers, thereby there is an improvement in voltage, reduction in Distribution loss. The current Transformer failure rate in CESC for FY 2021-22 is 7.09%.

In CESC at present every Monday, the Sub-division officers will conduct safety oath program for all field staff by giving necessary guidelines and instructions required in day to day work and in the same program the field staff are instructed to restore the power supply as quickly as possible. Corporate office is also issuing letters/Circulars regularly regarding attending complaints/line troubles with in KERC prescribed time limit(Sop) and action will be initiated to conduct orientation programmes/workshops to the field staffs to equip and motivate to attend all faults.



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No. of Corrections.....*dkh*.....



## Compliance to the Commission's Directives

The CESC is submitting the projection and Availability & demand for power every succeeding month in the last week of the preceding month. Copies are annexed as **Annexure-8**

### Details of Average Supply given in CESC jurisdiction from April-2022 to October-2022

Month	Industrial	Water Supply	Urban	NJY	Rural		IP
					3PH	1PH	3PH
Apr-22	23:15:06	23:15:45	22:44:20	22:19:57	06:38:12	08:26:00	06:29:37
May-22	23:18:22	22:45:00	22:14:20	21:50:00	06:28:12	08:36:00	06:00:41
Jun-22	23:33:15	23:15:45	22:34:10	22:13:57	07:00:12	08:26:00	06:29:32
Jul-22	23:33:44	23:11:54	22:44:03	22:14:50	06:52:04	07:32:33	06:45:03
Aug-22	23:06:58	23:21:00	22:40:40	23:01:00	06:43:00	08:54:00	06:51:00
Sep-22	23:34:00	23:37:22	23:02:00	22:38:00	06:30:00	08:48:00	06:25:00
Oct-22	23:36:15	23:31:21	23:21:29	22:20:25	06:58:00	08:21:47	06:24:00

The compliance regarding the same is being submitted to the Commission regularly.

## 5.8 Directive on Establishing a 24x7 Fully Equipped Centralized Consumer Service Center for Redressal of Consumer Complaints

### Commission's Views:

The Commission notes that the CESC has established the necessary infrastructure for effective redressal of consumer complaints. While noting the efforts made by CESC, it is observed that, the number of complaints is increasing year on year.

The CESC, in its current tariff filing is informing that it has conducted training on behavioral attitude to the executives working in the Centralized Customer Care Centre on only 2 days in a year which the Commission feels insufficient.

The Commission directs CESC to instruct the agency employing and deploying such executives to continue to impart suitable training on public relations and behavioral attitude, interpersonal relations etc., **CESC shall bring in a system of recognizing the best performing customer care executive every week / fortnight / month and publicize such recognition so as to incentivize better performance from them. The Commission directs CESC to deploy a Senior**



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No. of Corrections: *nil*

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## Compliance to the Commission's Directives

**Level Officers to supervise and review all the activities of the CCC, and shall take disciplinary action against erring officials / executives.**

The Commission hereby directs CESC to continue its efforts in further improving the delivery of consumer services, especially in reducing time required for resolving consumer complaints relating to breakdowns of lines / equipment, failure of transformers etc.,

The CESC is also directed to analyze the nature of complaints registered and take action to minimize the number of complaints by taking preventive / corrective action and reducing time required for resolving consumer complaints relating to breakdowns of lines/ equipment, failure of transformers etc. It is also imperative that necessary steps are taken for continuously sensitize field-staff about prompt and effective handling consumer complaints apart from improving their general efficiency.

**The Commission reiterates its directive to the CESC to periodically publish the complaint handling procedures / contact number of the Centralized Consumer Service Centre in the local media, continue to host it on its website and also publish it through other modes, for the information of public and ensure that all the complaints of consumers are registered only through the Centralized Consumer Service Centre for proper monitoring and disposal of complaints registered. The compliance in this regard shall be furnished once in a quarter regularly, to the Commission.**

### Compliance by the CESC:

- The CESC has established centralized customer care center works for 24X7 to provide effective service to the consumer and redressal of consumer complaints with in stipulated time.
- CESC has senior level officers, GMT, DGM & AGM to supervise and review all the activities of the CCC & CCR'S working in CCC.
- Further, the agency will be instructed to impart and continue such more trainings on public relations and behavioral attitude, interpersonal relations and communication skills
- In continuation, action will be initiated to recognize & publicize the best performer in CCC and also to provide the incentives to the same. CESC has taken action to establish full-fledged service stations at subdivision & section level by providing vehicle, CUG mobile numbers and necessary safety equipment's.



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No. of Corrections... *Nil*





## Compliance to the Commission's Directives

- Further field staff are continuously educated/Sensitized to minimize the time taken for resolving the consumer complaints related to break down of lines /equipment's/failure of DTC ETC., by issuing necessary circulars & safety guide lines.
- CESC has adopted web based PGRS (Public Grievance Redress System) Software in CCC. This software is installed successfully and working satisfactorily by enabling fast complaint registration and redressal of consumer complaints.
- The CCC is analyzing and monitoring the complaints registered to minimize the time taken to resolve the complaints in co-ordination with field staff. The complaints which are not solved as per SoP will be escalated to next higher officers.
- The field staffs are regularly educating/ sensitizing regarding handling of consumer complaints to provide prompt and efficient service to the customers by issuing circulars, guidelines regularly.
- CESC has taken action to establish full-fledged service stations at subdivision & section level by providing vehicle, CUG mobile numbers and necessary safety requirements.
- Paper Notification regarding Helpline Number 1912 is published in both Kannada and English leading newspaper regularly. Complaint handling procedure is published on 24.06.2022. Copy annexed as **Annexure-9**
- User Manuals are available at <http://cescmysorepgrs.in/> to guide consumers, how to register complaints at CESC Centralized Customer care center and track the status of their complaints.
- CESC has implemented caller tune regarding "electricity helpline 1912" for all CUG Mobile Numbers of CESC officers (O&M/offices) /Service stations
- The complaints registered and resolved in CCC during FY-22 is as follows:

Details of Complaints registered and resolved in FY-22			
SI No	Name of Circle	No of complaints registered	No of complaints resolved
1	Mysuru	170744	170744
2	Mandya	20130	20130
3	CH Nagara-Kodagu	9971	9971
4	Hassan	12502	12502
<b>Grand Total:</b>		<b>213347</b>	<b>213347</b>



29 NOV 2022

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No. of Corrections.....





The compliance regarding the same is being submitted to the Commission regularly.

## 5.9 Directive on Energy Audit

### Commission's Views:

The Commission has observed that, CESC has not submitted the monthly energy audit reports of cities / towns with detailed analysis regularly, to the Commission. CESC needs to conduct energy audit of identified cities / towns and on the basis of energy audit results, initiate necessary action to reduce the distribution losses and improve collection efficiency so as to achieve the targeted AT & C loss of less than 15 per cent in all towns. The CESC is directed to focus on the towns and cities having a distribution loss of more than 12% and take corrective measures to bring down the losses to less than 12%. It is also directed to conduct such energy audit and submit compliance thereon every quarter, regularly to the Commission.

It is observed that despite completion of metering of 52,524 number of DTCs and most which is having AMI - Automatic (Advanced) Meter Reading Infrastructure, the CESC is furnishing the analysis for only around 13,000 DTCs i.e., for 25% of the metered DTCs and during October 2021 the audited DTCs is around 21,357. Since the past 4 years of tariff filing, CESC is informing that the action will be taken to conduct 100% of DTCs for which the meters are provided. CESC has failed to furnish the energy audit reports for the remaining number of DTC's metered expressing the issues of tagging of consumer installations with the respective feeders / DTCs.

CESC has not furnished any information on the analysis made and the action taken on the results of month-wise energy audit of all the 11 kV lines operating in its jurisdiction. It is evident that the CESC is not serious about conducting and analysing energy audit of 11 kV feeders and DTCs and run its business on commercial principles.

The Commission directs CESC, to take up energy audit as its core function, after spending a huge money on RAPDRP project, the TRM and many other software. During public hearing, the stakeholders have also questioned, the rationale of incurring huge expenditure on DTC metering without any benefit to the system or consumers. The action taken by the CESC in the matter, so far, is not satisfactory.



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No. of Corrections.....*02*





## Compliance to the Commission's Directives

Commission while appreciating the efforts made by CESC in reducing the distribution losses in Chamarajanagar from 21.98% during FY20 to 14.74% during FY-21, directs to continue to take similar actions to reduce distribution losses in other towns and cities to below 12%.

In this regard, the CESC is directed to take up energy audit of all the 11 kV feeders, DTCs, which are said to be metered and the energy audit of major Cities / Towns and take remedial measures for reducing energy losses in the high loss-making distribution areas. **The compliance in respect of energy audit conducted along with the details of analysis and the remedial action initiated to reduce loss levels shall be regularly submitted to the Commission on a quarterly basis.**

The Commission directs CESC to conduct workshops at the Division Office level, for educating the officers of all cadres on the importance of conducting the feeder-wise, DTC-wise energy audit, etc., and motivating them to take action to reduce the losses in their areas, address issues relating to consumer tagging, recognize the importance of energy metering and maintaining them in good condition, strictly servicing all the installations by providing appropriate energy meters, providing and maintaining energy meters to DTC's, Metering of Street light installations, replacement of electromechanical meters etc.,

**An action plan on conducting such workshops shall be submitted by CESC within 60 days from the date of this order.** The feeder-wise and DTC-wise energy audits shall be reviewed in the review meetings at the Circle level every month. Copy of the proceedings of such meetings shall be sent to the Commission for information and further review.

CESC has not justified the reasons for not conducting / analysing the energy audit in respect of 11 kV lines, DTC's and LT lines, and the Commission hereby directs CESC to submit the consolidated energy audit report for the FY22 before 30th June 2022, as per the formats prescribed by the Commission.

**Compliance by the CESC:**

**(A) 11 KV Feeder Energy Audit:**

The Energy Audit for 2159 feeders for FY-22 has been submitted to the Hon'ble Commission on 25.7.2022 and revised feeder wise audit was furnished to the Honorable Commission vide letter No: CESC/GM(COML)/DGM(COML)/F8/22-23/16125 dated: 10.11.22.



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No. of Corrections.....*with*

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Compliance to the Commission's Directives

Energy audit of 11 kv feeders of 2021-22										
Sl.	Name of the Circle	Existing feeders	No. of 11kV feeders audited	No. of feeders not audited	<5%	5 to 10%	10 to 15%	15 to 20 %	20 to 25%	>25%
1	Mysuru	718	705	13	51	260	394	0	0	0
2	Chamarajanagar-Kodagu	343	321	22	12	40	268	1	0	0
3	Mandya	519	517	2	9	115	393	0	0	0
4	Hassan	579	576	3	34	100	442	0	0	0
<b>CESC Total</b>		<b>2159</b>	<b>2119</b>	<b>40</b>	<b>106</b>	<b>515</b>	<b>1497</b>	<b>1</b>	<b>0</b>	<b>0</b>

(1) CESC is conducting 11kV feeder-wise energy audit every month. As on August-2022, there are 2194 no's of feeders in CESC jurisdiction, out of which 2119 no's of 11kV feeders are audited.

Energy audit of 11 kv feeders of 2022-23										
Sl.	Month	No. of feeders Existing	No. of feeders audited	No. of feeders not audited	<5%	5 to 10%	10 to 15%	15 to 20 %	20 to 25%	>25%
1	April-22	2162	2124	38	81	540	1495	0	3	5
2	May-22	2162	2126	36	113	490	1522	1	0	0
3	June-22	2179	2116	63	161	503	1439	9	4	0
4	July-22	2191	2119	72	113	582	1424	0	0	0
5	Aug-22	2194	2119	75	101	568	1450	0	0	0

Revised city energy audit for 2021-22 is as follows

Energy Audit of Towns & Cities for FY 2021-22						
Name of the Town / City having population of more than 50,000	2021-22	Energy Input to the City / Town in MU	Total sales in MU	Energy Loss in MU	Energy Loss in %	Remarks (Increase / Decrease in % Energy Loss)
1	2	3	4	5	6=5/3*100	7
Mysuru	Quarter – I (April 21- June21)	239.17	225.48	13.69	5.72	
Chamarajanagar		9.78	8.48	1.30	13.33	
Kollegala		11.52	9.92	1.60	13.89	
Mandya		22.02	19.33	2.70	12.25	
Hassan		32.81	30.49	2.32	7.07	
Mysuru	Quarter – II	234.58	215.07	19.51	8.32	



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No. of Corrections... *NW*

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Compliance to the Commission's Directives

Energy Audit of Towns & Cities for FY 2021-22						
Name of the Town / City having population of more than 50,000	2021-22	Energy Input to the City / Town in MU	Total sales in MU	Energy Loss in MU	Energy Loss in %	Remarks (Increase / Decrease in % Energy Loss)
Chamarajanagar	(July 2021 to September 2021)	8.68	7.51	1.18	13.54	
Kollegala		9.22	7.93	1.29	13.99	
Mandya		20.75	18.29	2.46	11.87	
Hassan		29.50	27.24	2.26	7.66	
Mysuru		239.95	221.51	18.44	7.68	
Chamarajanagar	(October 2021 to December 2021)	8.21	7.08	1.13	13.81	
Kollegala		8.16	7.12	1.04	12.75	
Mandya		19.83	18.39	1.44	7.28	
Hassan		30.98	28.83	2.15	6.94	
Mysuru	Quarter - IV (Jan 2022 to March 2022)	244.81	229.18	15.63	6.38	
Chamarajanagar		9.07	7.88	1.19	13.08	
Kollegala		8.99	7.90	1.09	12.12	
Mandya		21.49	19.38	2.11	9.81	
Hassan		31.88	29.56	2.32	7.28	
Mysuru	Annual Energy Audit of Towns & Cities	958.51	891.24	67.27	7.02	1) Tagging of installations to respective feeders and DTCs are under progress. 2) Measures will be taken to achieve 100% reading and billing.
Chamarajanagar		35.74	30.94	4.80	13.43	
Kollegala		37.89	32.87	5.02	13.25	
Mandya		84.09	75.38	8.71	10.36	
Hassan		125.17	116.12	9.05	7.23	

In each quarter directives are being furnished regularly. Further, division wise Energy audit workshop was conducted during FY-21 and CESC will continue to conduct workshops on energy audit in upcoming months.

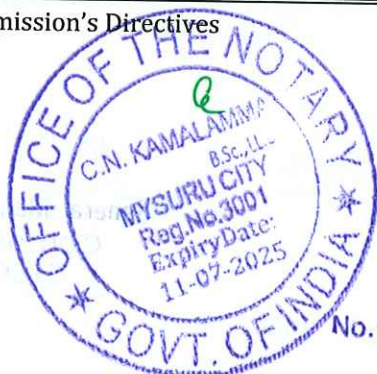
**(B) DTC Energy Audit**

**B(1) DTC ENERGY LOSS ANALYSIS FROM APRIL-21 TO MARCH-22 (FY-22)**

Month / Year	Total no. of DTCs for which energy audited			DTC Energy loss analysis					
	Urban	Rural	Total	<5%	5-10%	10% 15	15-20%	20-30%	>30%
April-21	6837	6736	13573	4215	6263	2760	308	26	1
MAY-21	6503	6878	13381	4289	5684	3129	264	15	0
JUNE-21	6973	9721	16694	5341	6398	4083	857	15	0

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No. of Corrections... *nil* .....





Compliance to the Commission's Directives

Month / Year	Total no. of DTCs for which energy audited			DTC Energy loss analysis					
JULY-21	7189	11058	18247	6335	7248	3993	637	32	2
AUG-21	7645	11474	19119	7320	8556	2987	256	0	0
SEP-21	8220	12639	20859	8252	9862	2705	40	0	0
OCT-21	8589	12768	21357	9898	9704	1755	0	0	0
NOV-21	9024	13302	22326	13296	7833	1197	0	0	0
DEC-21	9439	12942	22381	13477	7766	1099	39	0	0
JAN-22	9435	13140	22575	14034	8193	341	7	0	0
FEB-22	9408	12959	22367	14137	7775	436	19	0	0
MAR-22	8467	13022	21489	14125	7031	312	21	0	0

**B(2) DTC ENERGY LOSS ANALYSIS AS ON 30.09.2022:**

- (1) **1034** purely agricultural feeders have been commissioned. There are **102614** numbers of transformers on these feeders. Metering is not required in respect of these transformers as the feeder consumption is being considered for calculation of IP set consumption.
- (2) **2559** numbers of water supply installations with an independent distribution transformer have been serviced and all of them are in rural areas. As such, metering is not required in respect of these transformers.
- (3) **9671** nos. of DTCs have to be provided with meters. The details are furnished below:

EXISTING DTCs	METERED DTCs	DTCs WHERE METERS ARE NOT REQUIRED	DTCs TO BE METERED
167705	52861	105173	9671

**DTC ENERGY LOSS ANALYSIS FROM APRIL-22 TO AUGUST-22 (FY-23)**

Month / Year	Total no. of DTCs for which energy audited			DTC Energy loss analysis					
	Urban	Rural	Total	<5%	5-10%	10% 15	15-20%	20-30%	>30%
April-22	8755	13543	22298	14663	7241	385	9	0	0
MAY-22	8823	13544	22367	15050	6982	328	7	0	0



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No. of Corrections. *orh*



## Compliance to the Commission's Directives

Month / Year	Total no. of DTCs for which energy audited			DTC Energy loss analysis					
	Urban	Rural	Total	<5%	5-10%	10% 15	15-20%	20-30%	>30%
JUNE-22	8784	13489	22273	14964	7051	250	8	0	0
JULY-22	9612	12787	22399	14047	7584	768	0	0	0
AUG-22	8299	13660	21959	14564	7124	271	0	0	0

Action is being initiated by CESC to bring down the percentage of losses in respect of transformers where the losses are more than 10%.

Further it is brought to the kind consideration of Hon'ble Commission that CESC is taking every possible measure to adhere to the direction of Hon'ble Commission in respect of DTC energy Audit. The details of DTC's metering and No. Of DTC's audited year on year since 2019 furnished below for perusal.

Sl.no	As on	DTC's Metered	DTC's Audited
1	31.3.2019	41208	9840
2	31.3.2020	47724	11280
4	31.3.2021	52150	13114
5	31.3.2022	52714	21489

Further, Meter Testing divisions/LT rating sub-divisions of MT divisions are inspecting metering status of DTC's and the work is under progress. During inspection they have identified 14373 nos. of DTC's meters are not working out of inspected 27280 metered DTC's and still 25434 metered DTC's are to be inspected by MT staff.

### 5.10 Directive on Nirantara Jyothi - Feeder Separation

#### Commission's Views:

The CESC was directed to carry out the feeder-wise analysis to ensure that the objectives set out in the DPR of NJY scheme are fully accomplished. Further, the CESC shall ensure that, any illegal tapping of NJY feeders by the farmers for running their IP-sets should be stopped. Failure to stop this illegal activity will defeat the very purpose of feeder segregation works undertaken at



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No. of Corrections.....*nil*





## Compliance to the Commission's Directives

a huge cost and therefore, CESC needs to take stern action on such offenders. Further, the field officers / officials who fail to curb illegal tapping shall be personally held responsible for these irregularities.

Since the Commission has observed that, CESC has segregated substantial number of feeders under different phases of NJY, the Commission hereby directs CESC to continue to report every month, the specific consumption, and the overall IP set consumption, only on the basis of the data from energy meters installed to the agricultural feeders, as per the prescribed formats. Any data furnished later based on other assumption will not be considered by the Commission.

The Commission reiterates its directive to the CESC as above. Further directs that, the CESC shall take into consideration the requirement of segregation of agricultural feeders while taking up the work of commissioning of new feeders helps CESC to provide 24 hours of power supply to the rural areas.

Since all the work of segregation of feeders has been completed by CESC, the Commission decides not to pursue this directive and drops the directive.

### Compliance by the CESC:

The CESC had taken up the segregation of IP feeders by creating 135 feeders under NJY phase-1 and 232 feeders in NJY phase-2 and all the works of 135 feeders under NJY phase-1 and 232 feeders in NJY phase-2 has been completed and commissioned. Under Deen Dayal Upadhyaya Grama Jyothi Yojana (DDUGJY), 52 no's of IP feeders are segregated.

In the view of segregation of all IP feeders under NJY scheme is completed by CESC. The Commission has decided to drop this directive. CESC adheres to the directions of the Hon'ble Commission.

## 5.11 Directive on Demand Side Management in Agriculture

### Commission's Views:

The Commission notes that the CESC has so far not taken any concrete action to implement the Agricultural DSM measures in its jurisdiction. The CESC



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No. of Corrections: *ATK*

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needs to expedite implementation of DSM measures in its jurisdiction without any further delay.

There is a huge potential for energy saving in the agricultural sector which needs to be tapped at the earliest to derive the benefits on completion of the project. The CESC should lay strong emphasis for implementation of DSM measures with a view to conserve energy and also precious water for the greatest advantage to the farmers.

**CESC has to explore and take up the DSM measures in its area of operation as a measure to conserve energy. Therefore, the CESC should take up DSM initiatives in order to conserve energy and submit suitable proposals for approval of the Commission, before taking up the work. With this direction, the Commission decides not to further pursue this matter and decides to drop this directive.**

**Compliance by the CESC:**

CESC adheres to the directions of the Hon'ble Commission.

## 5.12 Directive on Lifeline Supply to Un-Electrified Households

**Commission's Views:**

The Commission notes and appreciates the work of completion of electrification of un-electrified households under various schemes. The CESC needs to furnish the release of grants and other financial benefits for completion of the scheme within the time extension given by the implementing agency as claimed by CESC.

The CESC shall undertake survey of un-electrified households in its area in addition to the already identified and submitted in the tariff filing, and electrify such households with the permission of the respective implementing agency / the GoK. The CESC is therefore, directed to expedite the task of providing electricity to all the un-electrified households and report compliance to the Commission.

**Since CESC has achieved 100% electrification of un-electrified households in all the five districts viz., Mysuru, Mandya, Chamarajanagara, Hassan & Kodagu by March-2020 the Commission decides not to further pursue this matter and decides to drop this directive.**



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No. of Corrections... *Nil*





**Compliance by the CESC:**

CESC adheres to the directions of the Hon'ble Commission.

**5.13 Directive on Implementation of Financial Management Framework:**

**Commission's Views:**

The Commission notes that the CESC has not implemented the financial framework model as per the directives issued but is found to have implemented only partially, so that the performance up to the Division level is being analysed. CESC has failed to furnish the data by incorporating all the parameters given by the Commission since the past tariff orders. The study should be linked to the quantum of energy received, sold and cost thereon and so that CESC conducts its business on commercial principles.

The Commission notes that CESC has submitted the analysis without setting the targets on various parameters mentioned in the Commissions views section of the previous Tariff Order. Without setting the targets and making the analysis, it will be difficult to assess the achievement of financial targets fixed in respect of the specific division. **Also, the commercial principles for operation of the Company, envisaged in the directives are not extended to the level of the Sub-Divisions.** The CESC is not submitting the compliance in respect of implementation of Financial Management Framework, on quarterly basis, to the Commission, as directed.

The consumers and stakeholders, in the public hearing have raised serious concerns on the accumulation of revenue arrears and on the ESCOMS failure to recover the long-standing arrears causing adverse financial impact on their cash flows. The Commission directs CESC to chalk out a stringent action plan to recover the long-standing accumulated arrears.

The Commission directs the CESC to review the performance of the Divisions & Sub-Divisions in terms of the energy received, sold, average revenue realization and average cost of supply using the Financial Management Framework Model developed by it. Further, the CESC is directed to continue to analyse the following parameters each month to monitor the performance of the Divisions / Sub-Divisions, at corporate level:

- a) Target losses fixed and the achievement at each stage.



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No. of Corrections..... *NL*



- b) Target revenue to be billed and achievement against each tariff category of consumers.
- c) Target revenue to be collected and achievement under all tariff categories.
- d) Target revenue arrears to be collected.
- e) Targeted distribution loss reduction when compared to previous years' losses.
- f) Comparison of high-performance Divisions in sales with low performance Divisions.
- g) Targeted achievement in performing the energy audit, feeder wise, DTC wise, and the performance in achieving the reduction in energy losses of feeders, DTCs by setting right the lacuna's / issues viz., tagging of consumers properly etc.,

Based on the analysis, the CESC needs to take corrective measures to ensure 100 per cent meter reading, billing, and collection, through identification of sub-normal consumption, identification of high losses in DTCs and taking corrective action, replacement of non-recording meters etc.,

**The Commission reiterates its directive that the CESC shall implement the Financial Management Framework model in its jurisdiction, effectively, on commercial principles. Compliance in this regard shall be submitted to the Commission on a quarterly basis, regularly. CESC shall identify the Sub-Divisions and Divisions which are showing high distribution losses and not collecting the required rate of ARR and take remedial measures to ensure full recovery of revenue. The Commission directs CESC to submit the financial framework analysis for FY21 and FY22 within May 2022.**

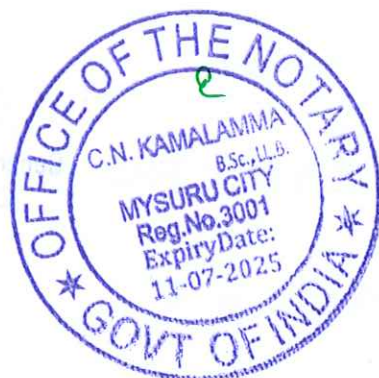
**Compliance by the CESC:**

As directed by the Commission, the CESC has implemented the Financial Management Framework and the compliance is being submitted to the Commission regularly. The analysis of the performance of all the divisions for FY-22 and for FY23 (up to September 22) using the financial framework is enclosed as **Annexure-10** and **Annexure-10(a)**.

**5.14 Directive on Prevention of Electrical Accidents**

**Commission's Views:**

The Commission notes that the CESC has taken various remedial measures to improve its distribution network and also has taken up programmes



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No. of Corrections.....*orik*





## Compliance to the Commission's Directives

to create awareness and to educate the field staff and public about the electricity safety measures.. However, despite these measures, the rate of fatal electrical accidents involving human, animal and livestock is on an increase, which is a matter of serious concern to the Commission.

The frequent occurrence of electrical accidents indicates that there is an urgent need for identification and rectification of hazardous installations, more systematically and regularly. Therefore, the CESC should continue to focus on identification and rectification of all the hazardous installations including streetlight installations / other electrical works, under the control of local bodies to prevent electrical accidents. CESC should also take up continuous awareness campaigns through visual / print media on safety aspects relating to electricity among public.

The Commission is of the view that, CESC should carry out more effective periodical maintenance works, provide and install LT protection to distribution transformers, and also ensure use of safety tools & tackles by the field-staff, besides imparting necessary training to the field-staff at regular intervals.

The Commission is also of the view that the existence of hazardous installations in the distribution network is evidently, because of the sub-standard works carried out by CESC without adhering to the best & standard practices in construction / expansion of the distribution network. The CESC needs to conduct regular safety audit of its distribution system and to carryout preventive maintenance works as per schedule of the Safety Technical Manual issued by the Commission to keep the network equipment in healthy condition. CESC should also take up regular inspection of consumer installations especially IP sets, pump houses, cow sheds and buildings under construction to identify hazardous installations, educate the consumers of the likely hazard and persuade them to take up rectification.

**The Commission reiterates its directive that the CESC shall continue to take adequate measures to identify and rectify all the hazardous locations / installations existing in its distribution system under an action plan to prevent and reduce the number of electrical accidents occurring in its distribution system. Further, it shall also focus on rectifying hazardous consumer installations. Any lapse on the part the concerned officers / officials should entail them to face disciplinary action.**

**CESC shall submit an action plan for reducing the accidents in CESC area**



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No. of Corrections.....*0/1*.....





and details of envisaged programmes to create awareness and educate the field staff and public about electrical safety measures within 3 months of the date of this Order. The compliance thereon shall be submitted to the Commission every quarter, regularly.

**Compliance by the CESC:**

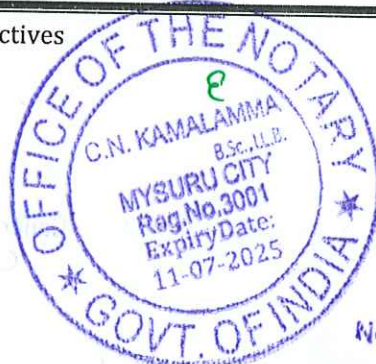
The details of electrical accidents occurred during FY22 and up to September 2022 are appended below:

Sl no	Year	No of accide nts	Departmental		Non - Departmental		Animals	Compen sation paid in lakhs
			Fatal	Non- Fatal	Fatal	Non- Fatal		
1	2021-22	175	3	19	59	10	84	107.61
2	2022-23 (AS ON SEP-22)	144	3	4	42	9	86	34.4

In order to prevent electrical accidents and spread awareness about safety and conservation of energy, following action plan has been initiated in CESC.

Non -Departmental Fatal Accident are high during 2022-23 compared to 2021-22. CESC will put more effort on awareness program for Public in future days regarding safety on distribution lines and transformers.

- From 07.02.2022 to 14.02.2022, "Arivu Saphaha" was conducted in all the 267 sections, wherein one of the main agenda was to emphasize the use of safety gear among the field staff.
- As on 31.3.2022 1392 nos. of hazardous locations in the premises of schools and colleges has been identified and rectified
- Identifying and rectification of hazardous locations like providing intermediate poles to lengthy spans, replacement of deteriorated service wires/conductors/poles, replacement of lower size conductor by higher size, restringing of loose spans, shifting the transformers and lines which are close to buildings or in dangerous locations etc.
- Proper periodical and preventive maintenance of the distribution system and cutting of tree branches that were being exposed to power lines.



29 NOV 2022 *K. Mani*  
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No. of Corrections: *nil*





## Compliance to the Commission's Directives

- Providing all safety equipment to Power man and surprise inspection of allocated works on daily basis to check the use of safety equipment by them.
- Conducting safety meetings at section offices, to create awareness among the maintenance staff regarding use of safety equipment and adhere to safety procedures while working on lines like earthing on both sides of "working zone", use of hand gloves, insulated tools etc.
- Notices are being issued to consumers, those who are violating the rules while constructing the buildings that are nearer to the distribution system and to ensure proper clearances before servicing of new installations.
- Educating the consumers regarding the safety precautions to be taken by them to avoid accidents, through media, interaction meetings, highlighting the issues of conservation of energy and prevention of electrical accidents on the reverse of the monthly electricity bill.
- Displaying hoardings at all district Head Quarters and all offices of CESC.
- CESC has taken up feeder maintenance works in which 67 nos. of feeder maintenance works are completed for an amount of 8 crores and 13.07 crore of works for 41 feeders will be completed by the end of FY-23.

CESC has taken up providing covered conductor works in hazardous locations for 1815 kms for 38.26 crores under which 1390 kms of works completed as on April-22 and remaining work will be completed by end of FY-23

### 5.15 New Directive: Issue of No Objection Certificates (NOC) for Wheeling and Banking facility to Open Access Consumers/ Captive generators:

The Commission has observed that in the matter of issue of No Objection Certificates (NOC) for Wheeling and Banking facility to Open Access Consumers/ Captive generators, the KPTCL/SLDC/ ESCOMs are not adhering to the time frame prescribed by the Commission as per the KERC (Open Access) Regulations, 2004, as amended from time to time. As a result of the delay, substantial quantum of energy is being wheeled/ banked to the transmission/ distribution network under the provisions of 'deemed W & B facility'. The energy so wheeled/ banked remains unpaid and the generators are made to indefinitely wait for payment and ultimately they are filing petitions before the Commission for settlement of their claims.



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of Corrections.....*NA*.....



## Compliance to the Commission's Directives

Since the energy is wheeled/ banked from RE sources which are having must run status, any delay in giving the NOC for wheeling/ banking facility or non-payment of the charges for the deemed approval W&B is not justifiable. Whereas, timely action in clearing NOC for W&B facility would avoid all the complications/litigations in the matter.

The KPTCL, SLDC and ESCOMs are therefore directed to strictly adhere to the timelines fixed by the Commission as per the OA regulations. For this purpose, they shall define the responsibility centers and fix definite timelines at each of the processing stage and ensure that the W&B applications are disposed of within the prescribed timeframe. They shall fix up personal responsibility on the concerned officials for avoidable delay in giving the NOC.

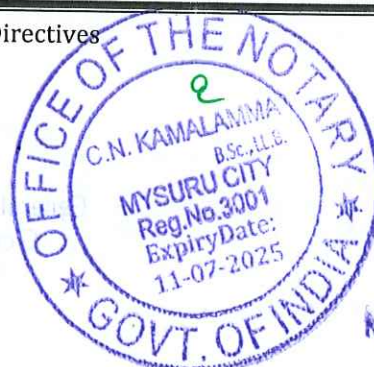
Compliance to this directive may be reported within two months from the date of issue of this Tariff Order.

### Compliance by the CESC:

CESC, Mysuru is making efforts to adhere to the timelines fixed by the Hon'ble Commission as per the KERC (Open Access) Regulations, 2004. Whereas, at times when the consent is requested for wheeling energy from a generator to multiple HT consumers located in jurisdiction of various sub divisions, the time taken to collect the required information from the sub divisions is higher than the timeline fixed by the Commission.

During FY-23, CESC has received 14 Nos of requests to convey consent for wheeling of energy from different generators. Out of which consent for 8 Nos. of generators are issued within 15 days and another 6 Nos are slightly delayed.

Further, CESC, Mysuru aims to adhere to the stipulated timeline while issuing NOC to open access consumers.



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No. of Corrections.....*nika*





## 6. New Proposals

### 6.1 Fixing of non-telescopic tariff to LT-2(a)(i) & LT-2(a)(ii) - Domestic category consumers:

It is proposed to fix non-telescopic tariff (Energy consumed is cumulatively billed at one uniform rate for the entire consumption depending on the slab rate in which the consumption falls) for LT-2(a)(i) & LT-2(a)(ii) tariff categories.

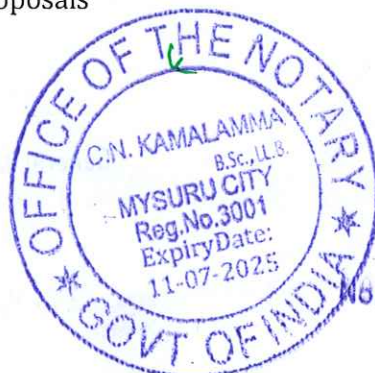
Existing Energy rate Slabs		Proposed Energy rate Slabs	
LT-2(a) (i): Domestic Consumers coming under CMC and all other Urban Local Bodies	LT-2(a)(ii): Domestic Consumers coming under Village Panchayats	LT-2(a) (i): Domestic Consumers coming under CMC and all other Urban Local Bodies	LT-2(a)(ii): Domestic Consumers coming under Village Panchayats
0 to 50 units (Life Line Consumption)	0 to 50 units (Life Line Consumption)	0 to 50 units (Life Line Consumption)	0 to 50 units (Life Line Consumption)
51 to 100 units	51 to 100 units	0 to 100 units	0 to 100 units
101 to 200 units	101 to 200 units	0 to >100 units	0 to >100 units
Above 200 units	Above 200 units		

**Note:**

1. Consumers, who consume electricity up to and inclusive of 50 units, come under 0 to 50 units slot.
2. Consumers, who consume electricity from 51 units but less than and an inclusive of 100 units, come under 0 to 100 units slot.
3. Consumers, who consume electricity more than 100 units come under 0 to >100 units slot.

### 6.2 Merging of energy rate slabs in HT-2(a), HT-2 (b) & HT-2 (c) tariff category:

It is proposed to merge the energy rate slabs in HT-2(a), HT-2 (b) & HT-2 (c) tariff category for rationalization/simplification of tariff categories.



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Category Description	Existing	Proposed
	Slabs under Energy charges	Slabs under Energy charges
HT-2(a) :HT Industries	For the first one lakh units	For all units
	For the balance units	
HT-2(b): HT Commercial	For the first one lakh units	For all units
	For the balance units	
HT-2(c)(i): Government Hospitals & Educational Institutions	For the first one lakh units	For all units
	For the balance units	
HT-2(c)(ii) : Private Hospitals and Educational Institutions other than those covered under HT-2 (c)(i)	For the first one lakh units	For all units
	For the balance units	

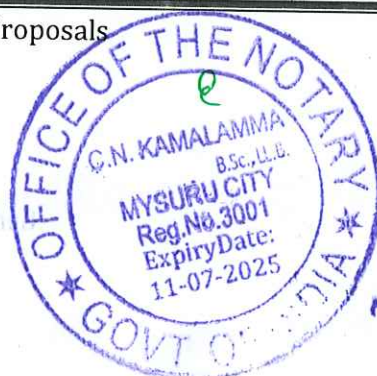
### 6.3 Reclassification of fixed charges slabs to LT-5 Tariff category:

It is proposed to reclassify the fixed charges slabs to LT-5 tariff categories as given below:

Category	Existing Slabs	Proposed Slabs
LT-5(a) & LT-5(b)	i) 5 HP & below ii) above 5 HP & below 40 HP iii) for 40 HP & above but below 67 HP iv) for 67 HP & above but below 100 HP v) for 100 HP & above	i) 0 to < 40HP ii) 40 HP to <100 HP iii) 100 HP & above

### 6.4 Uniform tariff for LT-3 and LT-5 categories by merging the Urban and Rural Consumers:

Hon'ble Commission has introduced differential retail supply tariff for consumers in urban and rural areas i.e. a higher tariff in urban areas and lower tariff in rural areas to reflect the quality of power supply based on the geographical location of the consumers, cost and expenses, consumer base and consumer mix, efficiency of operations, distribution losses etc of distribution companies.



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## New Proposals

Over the years, CESC has improved its electrical infrastructure to provide reliable and quality power supply to its consumers in its jurisdiction in more efficient manner.

CESC has created 521 Nos. of NJY feeders by segregating IP installations under Niranthara Jyothi Yojana (NJY) and other schemes to provide 24 hours of uninterrupted and reliable power supply to non-agricultural consumers in rural areas and created exclusive IP feeders (EIP) to feed agriculture load.

CESC has strengthened its existing distribution network by extension and improvement works such as replacement of the deteriorated/lower capacity conductors by higher capacity conductor, providing additional transformers for replacement of overloaded DTCs and created new feeders/stations and increased sale of power in proportionate to consumer growth and reduced distribution loss to 10.40% and HT: LT ratio reduced to 1:1.36. Details are as given below.

Sl. No.	Particulars	APR for FY-09	APR for FY-22
1.	Power Purchase in Mu	4539.72	8390.87
2.	Power Purchase Cost in Crs	1088.69	4027.70
3.	Sale of Power in Mu	3409.11	6684.20
4.	Revenue in Crs	1148.67	4874.20
5.	Distribution Loss	17.35%	10.40%
6.	ARR in Crs	1369.67	5297.10
7.	Average Cost of Supply in Rs. per Unit	4.02	7.92
8.	No. of Consumers	2171236	3583588
9.	Number of Receiving /Sub-Stations (220, 110 & 66 kV-Maintained by KPTCL) (33 kV-maintained by CESC)	220 kV - 10 110 kV - 8 66 kV - 154 33 kV - 10 Total - 182	220 kV - 17 110 kV - 09 66 kV - 229 33 kV - 004 Total - 259
10.	Number of DTC's	44755	164018
11.	Fixed Assets in Crs	870.69	6697.59
12.	Length of HT Lines (in R.kms)	9171.33	67975.94
13.	Length of LT Lines (in R.kms)	16977.5	92593.66
14.	HT / LT Ratio	1:1.85	1:1.36
15.	No. of Feeders (Category wise)	Urban: 262 Rural: 690	Urban: 489 Rural: 65



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		<b>Total: 952</b>	NJY: 510 IP: 1009 Industrial:86 <b>Total: 2159</b>
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Further, CESC has also taken action to reduce interruptions by conducting periodic maintenance of lines and equipment both in rural and urban areas.

In view of the above, it is proposed to merge both rural and urban consumers under LT-3 and LT-5 categories and requested to make uniform tariff for same category of consumers without any discrimination as they are provided with reliable and quality of power supply.

### 6.5 Proposal to increase Demand charges for HT consumers:

The structuring of the fixed and variable components of tariff is not reflective of the actual proportion of fixed and variable cost liability of CESC.

Revenue expenditure can be divided into two parts:

- Fixed expenditure contributing 58% of the total cost and
- Variable expenditure contributing 42% of the total cost.

Breakup of Fixed and variable charges approved and actual as per accounts for FY-22 is tabulated below:

Particulars	Approved			Actual		
	Fixed	Variable	Total	Fixed	Variable	Total
Generation (Rs in Crs)	979.87	2223.44	3203.31	890.41	2335.48	3225.89
Transmission (Rs in Crs)	801.81		801.81	801.81		801.81
Distribution (Rs in Crs)	1175.57		1175.57	1562.40		1562.40
<b>Total</b>	<b>2957.25</b>	<b>2223.44</b>	<b>5180.69</b>	<b>3254.62</b>	<b>2335.48</b>	<b>5590.10</b>
Sales in MU			6811.72			6684.2
<b>Composition per unit cost (Rs./unit)</b>	4.34	3.26	7.61	4.78	3.43	8.21
	57%	43%	100%	58%	42%	100%

The revenue realisation through retail power tariff should have been in the above proportion. However, the Revenue earned by CESC (based on approved tariff) from tariff comprise of Fixed cost recovery is at 13% and Variable cost collected is 87% of the total receipt.



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No. of Corrections... *nil*





## New Proposals

Breakup of fixed/demand charges and Energy charges received for FY-22 is tabulated below:

Particulars	FY-22		
	Fixed/Demand charges	Energy charges	Total
LT-Consumers	412.19	3105.20	3517.39
HT-Consumers	208.19	1014.98	1223.17
Misc.		133.63	133.64
<b>Total</b>	<b>620.38</b>	<b>4253.82</b>	<b>4874.20</b>
	<b>13%</b>	<b>87%</b>	

In majority of categories recovery of variable charges are not even at the Commission determined first slab rate. This may be due to inbuilt rebate such as voltage class rebate and incentive for Time of the Day tariff.

Since the contribution of fixed charges is only 13% of the average realization rate, the balance i.e. 45% (58%-13%) is concealed in the energy charges. Hence, the energy charge seems to be on a higher side. This is foremost reason for tapping HT consumers by private generators. If the Demand / Fixed charges which is masked in the energy charges are separated then the variable cost can be reduced.

This composition of cost recovery also has an impact on cross subsidy amount. If there is any reduction in sales under HT category, the loss on account of fixed charges is to a larger extent i.e., -45%, and this will further worsen the cross-subsidy level. Change in approved sales mix also affects the cross-subsidy level. Tariff determination does not consider the inbuilt rebate. Hence, it is proposed for increasing the fixed charges for HT consumers.

In order to reflect the actual share of fixed cost in the revenue requirement of Distribution licensees, there is need to enhance recovery through fixed charges. The fixed charge shall be so set that it leads to recovery of 100% of the fixed costs of Distribution Licensees.

The above concern of CESC is also highlighted in the recently issued Draft Amendments to Tariff Policy, 2018, which reads as below:

*"In order to reflect the actual share of fixed cost in the revenue requirement of Distribution licensees, there is need to enhance recovery through fixed charges. The fixed charge shall be so set that it leads to recovery of at least 50% of the fixed costs in case*



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No. of Corrections... *nik*

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of Domestic and Agriculture categories and at least 75% recovery of fixed costs in case of other categories progressively over next three years. The SERCs and JERCs shall lay down a roadmap to achieve the same."

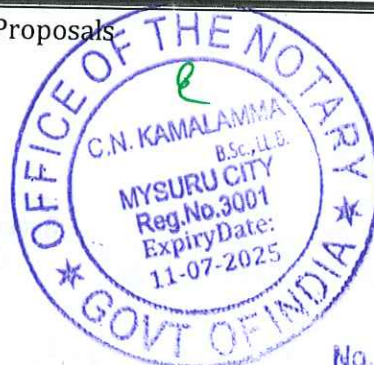
Since the fixed charges recovered are inadequate, CESC has to borrow some amount to meet its working capital requirements to discharge its fixed liabilities. Increasing tariff by increasing energy charges instead of fixed/demand charges would result in steep fluctuations in revenue with varying consumption over time. It would also affect CESC ability to meet the fixed charges obligation.

**Demand charges per KVA per month (Existing based on FY-22):**

Tariff	No. Of Consumers	Con-Sumption In Mu	Rate (Rs./kVA/HP)	Demand Charges in Crs	Energy Charges in Crs	Total	ARR	Energy Charges Rs./Unit
HT1	192	497.33	250	52.02	253.64	305.66	6.15	5.10
HT2A	1244	754.19	265	115.27	561.95	677.22	8.98	7.45
HT2B	855	103.87	290	20.87	101.73	122.6	11.80	9.79
HT2C	352	53.42	260	8.89	43.32	52.21	9.77	8.11
HT3	124	130.65		9.03	44.05	53.08	4.06	3.37
HT4	41	4.17	175	0.58	2.83	3.41	8.18	6.79
HT5	52	6.13	325	1.53	7.46	8.99	14.67	12.17
<b>Total</b>	<b>2860</b>	<b>1549.76</b>		<b>208.19</b>	<b>1014.98</b>	<b>1223.17</b>		
<b>% of Recovery of Fixed and Energy components</b>				<b>17%</b>	<b>83%</b>			

The Hon'ble Commission is requested to increase the demand charges at least for the HT consumers. This will not only help CESC to charge reflective proportion of fixed cost but also helps in developing the competence to participate in the open market to attract the consumers.

The following tables indicate the Demand Charges for HT Industrial category consumers prevailing in other States. CESC submits that the fixed/demand charges in the neighbouring/other states are relatively higher than those approved for CESC. Such charges eventually lead to appropriate fixed charge recovery for these States.



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**Madhya Pradesh:**

Sub-Category of consumer	Monthly Fixed Charge (Rs./kVA of billing demand per month)	Energy Charge for consumption up to 50% load factor (paise/ unit)	Energy Charge for consumption in excess of 50% load factor (paise /unit)
<b>Industrial</b>			
11 kV supply	372	720	620
33 kV supply	597	716	611
132 kV supply	682	675	576
220/400kV supply	682	630	530
<b>Non-Industrial</b>			
11 kV supply	337	755	665
33 kV supply	485	738	640
132 kV supply	575	690	580
<b>Shopping malls</b>			
11 kV supply	345	735	660
33 kV supply	400	725	620
132 kV supply	530	675	600
<b>Power intensive industries</b>			
33 kV supply	608	550	550
132 kV supply	742	526	526
220 kV supply	742	520	520

**Kerala:**

<b>HT-1(A)-Industries</b>	
Demand Charges Rs. /Unit	390
Energy Charges Rs. /Unit	6.10

**Andhra Pradesh:**

HT-I(A): General		Fixed/Demand Charges / Month (Rs.)	Energy Charges Rs./Unit
132 KV and above	kVAh	475	5.40
33 KV	kVAh	475	5.85
11 KV	kVAh	475	6.30

**Tamil Nadu:**

HT INDUSTRIES(HT-1A)	Rs./kVA
Fixed charges	550/kva/month
Energy charges	6.75
<b>Railway traction</b>	
Fixed charges	550/kva/month



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## New Proposals

Energy charges	6.75
<b>Govt. Educational institution</b>	
Fixed charges	550/kva/month
Energy charges	6.75
<b>Pvt. Educational institution</b>	
Fixed charges	550/kva/month
Energy charges	6.75
<b>HT commercial</b>	
Fixed charges	550/kva/month
Energy charges	6.75

Hence, it is proposed to increase the Demand Charges under all HT categories and to decrease energy charges proportionately, which will help CESC to charge reflective proportion of fixed cost in the tariff and also retain HT consumers with the Company.

### 6.6 Discontinuing the Special Incentive Scheme (SIS):

The objective of the SIS was to bring back the open access consumers to CESC grid. This scheme was implemented as per the Tariff Order 2018 dated: 14.05.2018. In CESC jurisdiction, till date there are only 09 no's of consumers under this scheme and thus objective of the scheme is not served. Hence it is proposed to not to continue the scheme.

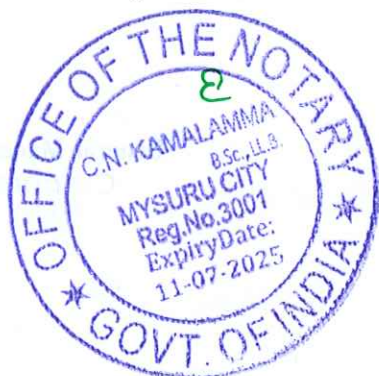
### 6.7 Continuation of Discounted Energy Rate Scheme (DERS):

It is proposed to continue the DERS with an increase in discount rate (Existing rate per unit is Rs.6/-)

### 6.8 Merging of LT-7(b) Tariff category to LT-3 tariff category:

Tariff activities such as Hoardings & Advertisement boards, Bus Shelters with Advertising Boards, Private Advertising Posts / Sign boards in the interest of public such as Police Canopy Direction boards, and other sign boards sponsored by Private Advertising Agencies /firms on permanent connection basis may be shifted/classified under LT-3 tariff category as the activities are commercial in nature.

Hence it is proposed to classify LT-7(b) tariff category under LT-3 tariff category at 2.5 plus the highest energy charges of LT-3 category.



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### 6.9 Merging of HT-3a(ii) and HT-3a(iii) Tariff category:

HT-3a(ii) and HT-3a(iii) Tariff category is used for a common purpose. Hence request the Hon'ble Commission to club them together.

Existing	Proposed
HT-3(a)(ii): Applicable to Private LI schemes and Lift Irrigation societies: Connected to Urban/Express feeders	HT-3(a)(ii): Applicable to Private LI schemes and Lift Irrigation societies
HT-3(a)(iii): Applicable to Private LI schemes and Lift Irrigation societies other than those covered under HT-3 (a)(ii)	

### 6.10 Transformer repair center-Tariff category:

Tariff category for Transformer repair center has not defined in the tariff Order. Hence it is proposed to define "Transformer repair center" under LT-5 tariff category. Transformer repair centers are being billed under LT-5 tariff category.

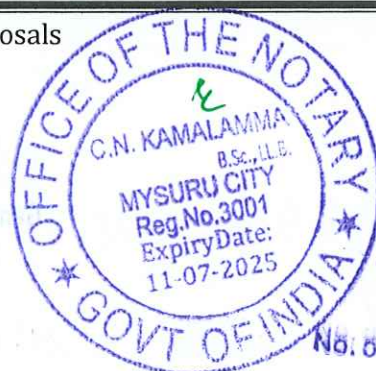
### 6.11 Withdrawal of Solar rebate:

To encourage consumers to use environmental friendly energy i.e. renewable energy and also to reduce the morning peak, solar rebate was introduced to domestic consumers who install solar water heater. It was presumed that, by installing the solar water heater, morning peak load will reduce, thus deferring the interest on that investment. That deferred interest was shared with the consumer as incentive.

Now, the situation is entirely different,

- Distribution system is now strengthened and interest and depreciation on these investments are being passed through tariff.
- Government has notified mandatory installation of solar water heaters.
- Commission approved tariff for solar energy generation from solar rooftop PV plants.
- Government of Karnataka is also providing subsidy for solar generation to an extent of 30%.

Under the above circumstances, the extension of solar rebate has become futile. Hence, solar rebate is to be withdrawn.



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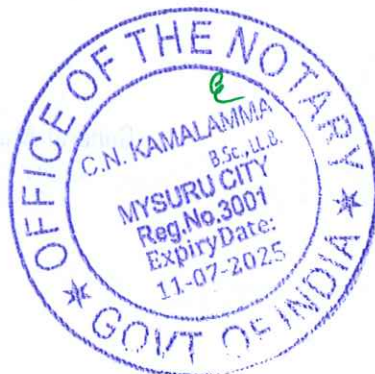
### 6.12 For newly serviced HT & MS building installations

It is proposed to add a clause in the Power Supply Agreement that the consumers of newly serviced HT & MS building installations shall not be allowed to purchase energy through wheeling/IEX and shall purchase the energy exclusively from CESC grid at least for 5 years from the date of service.

### 6.13 Merging of LT-2(b) and HT-2(c)ii Tariff category under respective Commercial tariff category:

Private hospitals and Educational institutions including aided and unaided institutions, Nursing Homes are classified under LT-2(b) & HT-2(c)ii tariff schedule and the electricity tariff for this category of consumers are lower than the commercial tariff category by 110 paise/unit approximately.

As existing			As Proposed	
<b>LT 2(b)(i): Applicable to all areas coming under Urban Local Bodies.</b>			<b>LT-3 (i): Applicable to City Municipal Corporations and all other urban local bodies</b>	
<b>Fixed charges</b>	Rs.120 Per KW subject to a minimum of Rs.150 per month upto and inclusive of 50 KW		Rs.125 Per KW upto and inclusive of 50 KW	
	Rs.175 per KW for every additional KW above 50 KW		Rs.230 per KW for every additional KW above 50 KW	
<b>Energy charges</b>	0 to 200 units	730 paise/unit	0 to 50 units	840 paise/unit
	Above 200 units	855 paise/unit	Above 50 units	940 paise/unit
<b>LT-2(b)(ii): Applicable in Areas under Village Panchayats</b>			<b>LT-3 (ii): Applicable in Areas under Village Panchayats</b>	
<b>Fixed charges</b>	Rs.110 Per KW subject to a minimum of Rs.135 per Month upto and inclusive of 50 KW		Rs.115 Per KW upto and inclusive of 50 KW	
	Rs.165 per KW for every additional KW above 50 KW		Rs.220 per KW for every additional KW above 50 KW	
<b>Energy charges</b>	0 to 200 units	675 paise/unit	0 to 50 units	790 paise /unit
	Above 200 units	800 paise/unit	Above 50 units	890 paise /unit
<b>HT-2(c)(ii) - Applicable to Hospitals and Educational Institutions other than those covered under HT-2 (c)(i).</b>			<b>TARIFF SCHEDULE HT-2(b)</b>	



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## New Proposals

Demand charges	Rs.265/kVA of billing demand/ month		Rs. 290 /kVA of billing demand/month	
Energy charges	For the first one lakh units	820 paise per unit	For the first two lakh units	905 paise per unit
	For the balance units	860 paise per unit	For the balance units	915 paise per unit

The room tariff of the private hospitals are equivalent to luxury hotels, rooms are Wi-Fi enabled, LED TV screens, all suites have kitchenette with microwave/refrigerator/coffee maker etc.

Further, Hospitals and Education institutions run by private, aided or unaided institutions have potential to pay cross subsidy. Hence, these institutions may be included under respective Commercial Tariff.

**Hence, it is proposed to merge LT-2(b) and HT-2(c)ii Tariff category under respective Commercial tariff category.**

### 6.14 Proposals to be added w.r.t Wheeling and Banking /Open Access Consumers and Generators:

Prayas Energy Group has conducted studies in respect of the Wheeling Charges and banking facility as per the directions of PCKL on behalf of all the ESCOMs and has submitted the following proposals:

- Immediately shift to monthly slot-wise banking from the existing annual banking.
- Increase the banking charges to 10-12% of wheeled energy (as against the existing 2%) or Rs.0.30/Rs.0.40 per kWh of wheeled energy to adequately compensate ESCOMs for their losses.
- As the Renewable Energy based Open Access/Captive Power Producer transactions will continue to grow in coming years, it is necessary to move to 15-min accounting to correctly account for the quantum of banking; it is recommended to move this framework within two years.
- Along with moving to 15-min accounting, the banking charge should be levied as Rs/kWh charge per unit of banked energy so that there is a clear economic signal to the cost of banking which would directly incentivize consumers to align their consumption and generation



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patterns to the extent possible i.e this surplus is to be monetised as per market rate for respective slots and months.

- e) Discontinue all wheeling and transmission concessions on charges as well as losses beyond existing applicability.

In addition, Hon'ble Commission vide order dated 14.05.2018 has already ordered to collect 25% of the normal transmission charges in cash as determined by the Commission in its tariff orders from time to time for using the network of the transmission licensee/ distribution licensee as the case may be. But the above order was set aside by the High Court of Karnataka and APTEL orders. The order was remanded back to KERC for reconsideration. However, BESCO with other ESCOMS has filed an appeal against the High Court of Karnataka and APTEL orders in Hon'ble High Court of Karnataka vide WA 1061/2019 and Supreme Court of India vide civil appeal 9619-9637/2019.

Further, CESC proposes the following in respect of the wheeling charges and the banking facility:

- a) Impose minimum percentage of energy consumption to be consumed by the OA consumers from the ESCOMs i.e. to an extent of 60% cap compulsorily, rather than allowing for open access without any limitation.
- b) Propose quantum of generation by the captive generators under open access based on their requirement rather than generation based on the market rates. Further, the additional energy generated over and above its usage may be allowed to wheel to non-captive consumers.
- c) Hon'ble KERC in the draft KERC (Terms and Conditions for Green Energy Open Access) Regulations, 2022 has proposed the following:

*"Banking shall be permitted on a monthly basis on payment of applicable charges as determined by the Commission in separate Orders issued from time to time.*

*Provided that the credit for banked energy shall not be permitted to be carried forward to subsequent months and the credit of energy banked during the month shall be adjusted during the same month.*

*The payment for the banked energy remaining unutilized shall be as per the actual banked energy, limited to 30% of the consumption during the month from the licensee. The ESCOMs shall pay 75% of the generic tariff determined by the Commission for such RE source for such relevant period."*



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No. of Corrections.....nil

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CESC proposes to implement the same to the existing RE generators under open access.

### 6.15 Grid Support Charges/Parallel Operation Charges :

The Parallel Operation is defined as activity where one electrical system operates with the connectivity to another system in similar operating conditions. The CPPs opt for parallel operation to seek safety, security and reliability of operation with the support of a much larger and stable system as afforded by the grid. Captive Power Plants that are running in parallel with grid are continuously taking the support of grid for their captive and process operations.

#### Advantages to CPPs:

1. The fluctuations in the load are absorbed by the utility grid in the parallel operation mode. This will reduce the stresses on the captive generator and equipment. The bulk consumer can operate his generating units at constant power generation mode irrespective of his load cycle.
2. Fluctuating loads of the industries connected in parallel with the grid inject harmonics into the grid. The current harmonics absorbed by the utility grid is much more than that by CPP generator. These harmonics flowing in the grid system are harmful to the equipment and are also responsible for polluting the power quality of the system.
3. Negative phase sequence current is generated by unbalance loads. The magnitude of negative phase sequence current is much higher at the point of common coupling than at generator output terminal. This unbalance current normally creates problem of overheating of the generators and other equipment of CPP, if not running in parallel with grid. When they are connected to the grid, the negative phase sequence current flows into the grid and reduces stress on the captive generator.
4. Captive power plants have higher fault level support when they are running in parallel with the grid supply. Because of the higher fault level, the voltage drop at load terminal is less when connected with the grid.
5. On account of increase in plant load factor of captive generator, additional revenues can be generated by the CPPs by sale of surplus power to the utility.



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No. of Corrections.....



6. In case of fault in a CPP generating unit or other equipment, bulk consumers can draw the required power from the grid and can save their production loss.
7. The grid provides stability to the plant to start heavy loads like HT motors.
8. The variation in the voltage and frequency at the time of starting large motors and heavy loads, is minimized in the industry, as the grid supply acts as an infinite bus. The active and reactive power demand due to sudden and fluctuating load is not recorded in the meter.
9. The impact created by sudden load throw off and consequent tripping of CPP generator on over speeding is avoided with the grid taking care of the impact.
10. The transient surges reduce the life of equipment of the CPP. In some cases, the equipment fails if transient is beyond a limit. If the system is connected to the grid, it absorbs the transient load. Hence, grid enhances the life of CPP equipment.

#### Disadvantages of Parallel Operation to Utility

1. Load fluctuations of captive consumer are passed on to the utility's system thereby the efficiency of utility's system may be affected, which may also impact on utility's other consumers.
2. In case of an ungrounded (or grounded through resistance) system supply, fault on interconnecting line (consumer's side) results in interruption of system. For single phase to ground fault which are 80 to 85% of the short circuit fault level, the grounding of the system is achieved through the neutral or step down transformer of the utility, when the generator runs in parallel with the utility's grid. This supply is likely to cause damage to the terminal equipment at utility's sub- stations and line insulators, as voltage on the other two healthy phases rise beyond the limit, under such conditions.
3. The utility has to sustain the impact of highly fluctuating peak loads like that of arc furnace, rolling mill, etc. for which it does not get any return on the capital invested to create system reserve.
4. The variation in reactive power requirement increases the system losses and lowering of the voltage profile. Utility has to bear the cost of such effects.



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No. of Corrections.....  
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5. The lower voltage profile and fluctuations affect the service to the neighboring consumers due to deterioration in quality of supply, thus resulting in revenue loss to the utility.
6. Non-recording of high fluctuating / sudden active and reactive demand by the meter results in financial losses."

At present Grid Support Charges/Parallel operation charges are being levied on Captive Generators in the states of Gujarat, Chattisgarh, Madhya Pradesh and Tamil Nadu. Further, Discoms of Odisha and Rajasthan have filed petitions under their respective ERCs in this regard. The applicability and charges of the Grid Support Charges/Parallel Operation Charges in various states are as follows:

### 1. Gujarat:

The parallel operation charge @ Rs. 26.50 per KVA per month is being collected from the in house captive plants for their entire captive generation capacity ever since they were introduced in the tariff order for FY 2010-11 and they are not revised since then. The extract of the methodology of the said charges while determining them is as follows:

Consumers having CPPs and connected with the grid shall have to pay POC. At interconnected transmission lines, S/S generating system, bear the transmission charges. The CPPs with connected load also enjoy the benefits of services of system operation from transmission licensees and distribution licensees. Hence, CPPs should pay POC, which would be shared by the STU and the distribution licensee concerned.

In the base MVA support method, the Commission is of the view that the parallel operation charge has to be related to the fixed costs of the utilities. According to the tariff orders issues by the Commission for FY 2010-11 the transmission related fixed cost is Rs.1172Cr and distribution related fixed cost (upto 11kV) for all the distribution licensees is Rs.625.95Crores. The total connected load in the system is 28275.29MVA. The transmission related fixed cost as Rs/kVA of connected load works out to be Rs.34.54/kVA/month and distribution related fixed cost (upto 11kV) works out to be Rs.18.45/kVA/month. Thus, the total fixed cost of transmission and distribution systems works out to Rs. 53.09 KVA/month. The Parallel Operation Charge thus received from CPP shall be shared between the transmission and distribution systems in proportionate of



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No. of Corrections.....*n/c*.....





their fixed cost which is at present in the ratio of 2:1. Considering the Pari passu it is proposed to levy 50% of the transmission and distribution related fixed costs on the CPP. Accordingly, the Commission decides that the POC should be levied at Rs. 26.50 per KVA per month for the installed capacity of the CPP.

Abstract from GERC Order dated 25th June 2004 on POC:

"5. Grid Support Services for Parallel Operation Explanatory notes on technical issues):

### Components of Grid and Parallel Operation:

The grid comprises three major components namely power generating stations along with step-up power transformers, high voltage and extra high voltage transmission lines (66 KV and above) and distribution lines generally below 66 KV voltage level. The distribution lines are further divided into high tension (HT) 11 KV to 66 KV) and low tension (LT) (below 11 KV). Different types of consumers are connected to these distribution networks and are accordingly termed as HT & LT consumers. The CPPs running in parallel with the grid are connected at 66 KV level. There are other types of HT consumers who are not running in parallel with the grid but are also connected with it at 66 KV. While such consumers can be disconnected by GEB to control grid operation parameters in accordance with the grid standards, the consumers operating in parallel with the grid cannot be disconnected."

## 2. Tamilnadu:

In the Tamilnadu, the grid supporting charges are being levied on the in-house captive generators since 2014. Those charges are synonymously labelled as Parallel operating charges. However, the rationale for fixing the charges has not been explained by the commission. The extract of the said charges given by the Hon'ble TNERC in Para No:26 of its Open access regulations 2014 is reproduced as below:

Parallel Operation charges: Captive Generating Plant who opt for parallel operation of the generator with licensee (without availing open access) for safe and secure operation of the generator has to pay Parallel Operation charges every month as notified by TNERC. As per these Regulations, parallel operation charges are to be paid for net capacity (i.e. installed capacity less than open access capacity) at the rate up to Rs.30,000/- per MW/month.



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No. of Corrections.....*nil*





### 3. Chattisgarh:

Definition as per the Hon'ble CSERC order dated 13.10.2009 in order to define parallel operation. The relevant excerpt of the said order is provided below for reference.

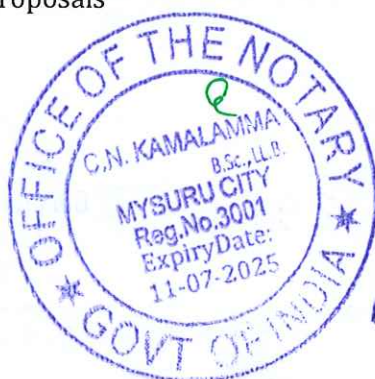
"The parallel operation is any activity where one electrical system operates with the connectivity to another system in similar operating conditions. The Captive Power Plants (CPPs) opt for parallel operation to seek safety, security and reliability of operation with the support of a much larger and stable system as afforded by the grid."

#### Commission analysis:

"With backdrop of above regulatory developments and considering the experience gained by the Commission in due course while dealing the cases related to POC, the Commission is of opinion that only power consumed by industrial loads with co-located generating station should be charged POC because of the obvious reasons of the grid support taken by it.

It is to note that if the power is wheeled to industrial loads of the other State from the generating station in State, charges towards grid uses is paid and vice versa. Accordingly, power to the industrial loads catered through dedicated lines or through grids should not be charged POC because the charges towards grid uses such as transmission charges/wheeling charges in cash and kind is already levied."

In Chattisgarh, the Hon'ble Chattisgarh Electricity Regulatory Commission, in its tariff order for FY 2021-22, computed POC charges on the KWH basis @13 paise/kWh for both captive and non-captive units, earlier these charges were levied on the KVA basis @Rs.21/KVA/Month. The computation of the POC charges as mentioned in the Retail Tariff Order for FY 2021-22 is as follows:



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No. of Corrections..... *dm*

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Sl.	Particulars	Units	Amount
1	CSPTCL ARR for FY 2021-22	Rs. Crore	979.67
2	Connected Load		
a	Central Sector Allocation (Net)	MW	2538
b	State Generation	MW	2985
c	Solar	MW	267
d	Hydro	MW	76
e	Biomass	MW	211
f	CPP/IPP	MW	2510
3	Total Connected Load	MW	8586
4	Parallel Operation Charges (1) / (3)	paise/kWh	13.02

#### 4. Madhya Pradesh

MPERC vide Suo Motu Petition No. 73/2012 on 31.12.2012 issued an order, fixing Rs. 20.00 per KVA per month on the capacity of the CPP (after deducting load pertaining to auxiliary consumption) connected to the grid. Since then, Discoms of MP are levying Parallel Operation Charges with the above said rate. Aggrieved by the above order, M/S Hindalco Industries Limited appealed against the Hon'ble MPERC in Hon'ble APTEL, requesting to dismiss the impugned order issued by the Hon'ble MPERC.

However, Hon'ble APTEL vide its judgement Dt: 02nd July 2021 issued an order asserting that such levy is justifiable, by stating as follows:

The view taken by the Commission is found to be a balanced one, it having decided to reduce the rate for POC from Rs 53.32 per KVA per month as recommended by the ERDA to Rs 20/- per KVA per month on the installed capacity of the Captive Power Plants expressly justifying this with reference to the objective to promote the CPPs, even deducting the load pertaining to the auxiliary consumption.

#### Abstract of Grid Support Charges/Parallel Operation Charges levied by various states in India:

Sl. No	State	Grid Support Charge Rate
1	Gujarat	Rs. 26.50 per KVA per month
2	Chattisgarh	Ps. 13.02 per kWh
3	Madhya Pradesh	Rs. 20.00 per KVA per month (Installed capacity of CPP (less load corresponding to auxiliary consumption)*Rate of



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No. of Corrections: *Nil*





## New Proposals

Sl. No	State	Grid Support Charge Rate
		POC (Rs./kVA/month)
4	Tamilnadu	Rs.30 per kW per month on the installed capacity of CPP/ Co-generating plants (less the OA quantum) agreed upon with distribution licensee as per the EWA.
5	Maharashtra	Rs. 20 per KVA of the CMD per month
6	Andhra Pradesh	50% of the prevailing demand charge (applicable on the difference between the capacity of CPP in kVA and the contracted Maximum Demand in kVA with Licensee and all other sources of supply)
7	Odisha *	Rs.28.66/kVA/month

\*Petition filed by OPTCL before OERC for approval of POC charges

CESC has 42 No's of captive consumers as on 31.03.2022 who are utilizing the CESC grid.

The computation of grid support charges/Parallel Operation Charges from the captive consumers of CESC is as tabulated below for FY-22

Sl.No	Particulars	Units	Value
1	CESC ARR for FY-22	Rs.Crs	5297.10
2	Connected Load		
a	Central Generating Station	MW	2721.34
b	KPCL Hydel	MW	584.69
c	KPCL Thermal	MW	559.90
d	UPCL	MW	90.61
e	NCE	MW	828.7
f	Jurala	MW	22.82
3	<b>Total Connected Load</b>	<b>MW</b>	<b>4808.05</b>
4	<b>Parallel Operation Charges (1)/(3)</b>	<b>Paise/kWh</b>	<b>125.77</b>
5	Captive consumption for FY-22	MU	322.42
6	<b>Parallel Operation Charges at Rs.1.2577</b>	<b>Rs.Crs</b>	<b>40.55</b>

Further, CESC has 44 No's of captive consumers as on Oct-22 who are utilizing the CESC grid. Grid support charges/Parallel Operation Charges from the captive consumers of CESC is as tabulated below for FY-24.

Sl.No	Particulars	Units	Value
1	CESC ARR for FY-24	Rs.Crs	<b>6622.48</b>
2	Connected Load of FY-23		



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No. of Corrections: *MM*.....



## New Proposals

Sl.No	Particulars	Units	Value
a	Central Generating Station	MW	2609.61
b	KPCL Hydel	MW	720.95
c	KPCL Thermal	MW	458.95
d	UPCL	MW	169.16
e	NCE	MW	828.70
f	Jurala	MW	32.99
3	<b>Total Connected Load</b>	<b>MW</b>	<b>4820.36</b>
4	<b>Parallel Operation Charges (1)/(3)</b>	<b>Paise/kWh</b>	<b>156.83</b>
5	Captive consumption for FY-23 (Projected)	MU	329.73
6	<b>Parallel Operation Charges at Rs. 1.5683</b>	<b>Rs.Crs</b>	<b>51.71</b>

**Note:** Details of connected load & Captive Consumption are not available for FY-24 and hence connected load of FY-23 & projected Captive Consumption for FY-23 is considered for calculation purpose.

Hence, CESC is proposing to collect Grid Support Charges/Parallel Operation Charges of 157 Paise/kWh from the captive consumers of CESC who are utilizing CESC grid.

### 6.16 Payment of additional power purchase cost on account of orders of KERC/APTEL/High Court/Supreme Court/Contempt petition/LPS Payment/Fixation of PPA rate/Change in Law:

As there are many cases wherein Payment of additional power purchase cost on account of orders of KERC/APTEL/High Court/Supreme Court/Contempt petition/LPS Payment/ Fixation of PPA rate/Change in Law has to be done. In such cases, it is requested the Hon'ble Commission to consider the additional power purchase cost paid.

Details of payment of additional power purchase cost on account of change in Law during FY-22 are as follows.

Sl.No	Name of The Firm	Amount in Rs.	Remarks
1	Gaviranga Solars Pvt Ltd	91,74,669.00	Carrying Cost on Differential Tariff arrears from 07/2017 to 03/2022.Accounted in FY-22
	<b>Total</b>	<b>91,74,669.00</b>	

Tariff Revision Proposals

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No. of Corrections.. *01*





## 6.17 Proposal to declare "Solar Hour of the Day" to Open Access Consumers who avail energy from Solar generation:

A large number of high revenue yielding consumers are procuring power through open Access. This is leading to decline of the HT sales of ESCOMs, in turn it is impacting the financial status of the ESCOMs.

Following are the reasons for decline in the revenue of the ESCOMs:

1. Power generation by solar power plants is viable only during day time i.e. from 8 AM to 5 PM and is unpredictable. The energy generated by the power plants is being utilized synchronously as there is no storage facility, but it is being virtually banked due to the banking facility provided to the RE generators under wheeling and banking. But, the OA consumers procuring solar power through wheeling and banking consume continuous power throughout the day.
2. The OA consumers consume electricity from the grid from the virtually banked energy even during the peak hours i.e. from 6 PM to 10 PM and throughout the night, but the generation from solar is not available during this period. That is the instantaneous power utilized by the OA consumers during the period of non-availability of solar power is from the energy procured by the ESCOMs through other sources by means of long/medium/short term PPAs.
3. Further, Hon'ble Commission vide its order dated: 18.08.2014 in the matter of "Wheeling charges, Banking charges & Cross Subsidy Surcharge for Solar Power Generators" has ordered as follows:
4. " All solar power generators in the State achieving commercial operation date (CoD) between 1st April 2013 and 31st March 2018 and selling power to consumers within the State on open access or wheeling shall be exempted from payment of wheeling and banking charges and cross subsidy surcharge for a period of ten years from the date of commissioning. This is also applicable for captive solar power plants for self-consumption within the State."

During the peak hours and the night time, ESCOMs procure power at a higher cost and the OA consumers utilize this high cost energy and are



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No. of Corrections..... *nk* .....



exempted from the W&B charges/cross subsidy surcharges. This leads to financial burden on the ESCOMs.

5. As per section 42 of Electricity Act 2003, surcharges shall not be levied in case open access is provided to a person who has established a captive generating plant for his own use.

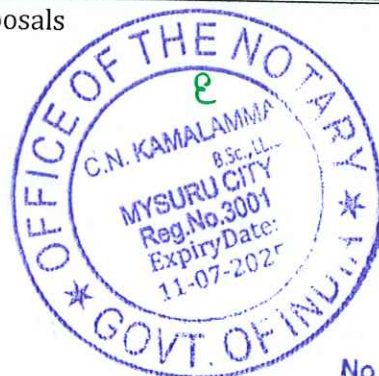
Even though the captive consumers are utilizing the distribution network of ESCOMs, the W&B charges are exempted to such consumers. ESCOMs bear the expenses for the maintenance of the distribution network, which is not recovered by the captive consumers.

Also, ESCOMs are bound to supply power even to consumers availing power from captive generators and solar generator through OA at the time of non-availability of instantaneous power from the captive/ solar generators as an obligation that the OA consumer is an existing consumer of ESCOM. Hence, ESCOMs tie up with generating companies for a quantum of energy based on the contacted demand of its consumers even at higher cost, at times. Even though, the consumers avail power through OA, ESCOMs have to bear the fixed cost of the PPA for the generation capacity tied up irrespective of energy purchased.

As a result of exemption of the W&B charges and cross subsidy surcharges to the captive plants, ESCOMs have to bear additional financial stress.

6. Scheduled (i.e. 15 min block period billing) billing is not implemented to OA consumer under wheeling and banking, this provides flexibility to the OA consumer to utilize the wheeled energy unrestrictedly. At present, CESC, Mysuru is billing OA consumers under W & B by deducting entire wheeled energy of the month from the total consumption of the month by apportioning the wheeled energy to the consumption in respective ToD zones on Pro-rata basis at the end of every billing cycle.

In view of the above, CESC requests the Hon'ble Commission to approve the proposal of declaring solar generation period i.e. from 8 AM to 5 PM as "Solar hour of the day" mandating that the OA consumers procuring power through OA from Solar generators have to avail wheeling only during the solar hour and that the quantum of energy utilized by such consumer during the non-solar hour be billed at the prevailing tariff approved by the Hon'ble KERC



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No. of Corrections.....*Nil*





## 7. Tariff Revision Proposals – FY24

CESC has considered the Annual Revenue Requirement and revenue deficit indicated in the below table for proposing the tariff revision for the year FY 24.

	Particulars	Rs. in Cr.
a	Total Annual Revenue Gap for FY 22	382.64
b	Annual revenue gap for FY 24	667.10
c	Total Annual Revenue Gap for FY 24 (a)+(b)	1049.74

The Gap for the year FY-24 is Rs.1049.74 Crs considering the gap of Rs.382.64 Crs for FY-22. Hence tariff hike in fixed charges and energy charges over all the tariff categories is proposed.

As per the revenue realization pattern it is observed that the fixed charges will be around 13% of the total revenue realized. Further, the Fixed charges are to cover the O & M expenses. Hence the hike in fixed charges is necessitated due to a gap in the actual total fixed charges against the proposed cost to be incurred in respect of Employee, A&G and R&M costs.

Sl no.	Particulars	Cost (Rs.in Crs)
1	Repairs & Maintenance expenses	84.68
2	Employee expenses	763.65
3	Admin & General Expenses	126.64
<b>Total</b>		<b>974.97</b>
<b>Fixed charges @ existing rate across all categories</b>		<b>841.50</b>
<b>Difference</b>		<b>133.47</b>

### 7.1 Tariff Hike Requirement

PARTICULARS	
<b>Total Gap</b>	Rs.1049.74 Crs
<b>Total Energy Sales Projected</b>	7167.89 MU
<b>Tariff hike Required across all categories</b>	Rs.1.4645 per unit

Out of proposed tariff hike of **Rs.1.4645 per unit**, **Rs.0.393 unit component** is considered by increasing the fixed charges and **Rs.1.072 per unit** is considered by increasing Energy Charges.



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The revised tariff proposal for the ensuing year (FY-24) is furnished in Format D-20.

## 7.2 Revised Tariff Proposals for FY-24

The revised tariff proposal for the ensuing year FY-24 is furnished in Format D-21. The details are as follows:

### LOW TENSION SUPPLY

#### TARIFF SCHEDULE LT-1

##### **LT-1- Bhagya Jyothi/Kutira Jyothi:**

Applicable to installations serviced under Bhagya Jyothi and Kutira Jyothi (BJ/KJ) schemes

Particulars	Existing Tariff	Proposed tariff
Energy Charges including recovery towards service main charges	Nil* Fully subsidized by the GoK. 811 Paise per unit subject to monthly minimum of Rs.70/ installation/month	Nil* Fully subsidized by the GoK. 955 Paise per unit subject to monthly minimum of Rs.100/ installation/month

#### TARIFF SCHEDULE LT-2(a)

Applicable to lighting/combined lighting, heating and motive Power installations of residential houses and also to such houses where a portion is used by the occupant for (a) Handloom weaving (b) Silk rearing and reeling and artisans using motors up to 200 watts (c) Consultancy in (i) Engineering (ii) Architecture (iii) Medicine (iv) Astrology (v) Legal matters (vi) Income tax (vii) Chartered Accountants (d) Job typing (e) Tailoring (f) Post Office (g) Gold smithy (h) Chawki rearing (i)Paying guests/Home stay guests (j) personal computers (k) Dhobis (l) Hand operated printing press (m) Beauty Parlours (n) Water Supply installations, Lift which is independently serviced for bonafide use of residential complexes/residence, (o) Farm Houses and yard lighting limiting to 120 Watts, (p) Fodder Choppers & Milking Machines with a connected load up to 1 HP.

Also applicable to the installations of (i) Hospitals, Dispensaries, Health Centers run by State/Central Govt. and local bodies. (ii) Houses, schools and Hostels meant for handicapped, aged destitute and orphans (iii) Rehabilitation Centres run by charitable institutions, AIDS and drug addicts Rehabilitation Centres (iv) Railway staff Quarters with single meter(v) fire service stations.



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## Tariff Revision Proposals

It is also applicable to the installations of (a) Temples, Mosques, Churches, Gurudwaras, Ashrams, Mutts and religious/Charitable institutions (b) Hospitals, Dispensaries and Health Centres run by Charitable institutions including X-ray units (c) Jails and Prisons (d) Schools, Colleges, Educational institutions run by State/Central Govt./Local Bodies (e) Seminaries (f) Hostels run by the Government, Educational Institutions, Cultural, Scientific and Charitable Institutions (g) Guest Houses/Travelers Bungalows run in Government buildings or by State/Central Govt./Religious/Charitable institutions (h) Public libraries (i) Museums (j) Installations of Historical Monuments of Archeology Departments (k) Public Telephone Booths without STD/ISD/FAX facility run by handicapped people (l) Sulabh / Nirmal Souchalayas (m) Viswa Sheds having Lighting Loads only.

### LT 2(a)(i): Categories applicable to areas coming under City Municipal corporations and all areas under Urban Local Bodies.

Existing		Proposed	
Fixed Charges Per Month	(In Rs.)	Fixed Charges Per Month	(In Rs.)
For the first kW	Rs.100 per KW	For the first kW	Rs.175 per KW
For every additional kW upto and inclusive of 50 kW	Rs.110 per KW	For every additional kW upto and inclusive of 50 kW	Rs.200 per KW
For every additional kW above 50 kW	Rs.175 per KW	For every additional kW above 50 kW	Rs.265 per KW
Energy Charges per month	Paise/unit	Energy Charges per month	Paise/unit
For 0-50 units (Lifeline consumption)	410 paise/unit	For 0-50 units (Lifeline consumption)	415 paise/unit
51 to 100 units	560 paise/unit	0 to 100 Units	555 paise/unit
101 to 200 units	715 paise/unit	0 to above 100 Units	695 paise/unit
Above 200 units	820 paise/unit		

### LT-2(a)(ii): Applicable to Areas under Village Panchayats

Existing	Proposed	Existing	Proposed
Fixed Charges Per Month	(In Rs.)	Fixed Charges Per Month	(In Rs.)
For the first KW	Rs.85 per KW	For the first kW	Rs.160 per KW
For every additional KW upto and inclusive of 50 KW	Rs.100 per KW	For every additional kW upto and inclusive of 50 kW	Rs.185 per KW



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No. of Corrections: *Nil*





## Tariff Revision Proposals

For every additional KW above 50 KW	Rs.160 per KW	For every additional kW above 50 kW	Rs.250 per KW
<b>Energy Charges per month</b>	<b>Paise/unit</b>	<b>Energy Charges per month</b>	<b>Paise/unit</b>
For 0-50 units (Lifeline consumption)	400 paise/unit	For 0-50 units (Lifeline consumption)	405 paise/unit
51 to 100 units	530 paise/unit	0 to 100 Units	535 paise/unit
101 to 200 units	685 paise/unit	0 to above 100 Units	600 paise/unit
Above 200 units	770 paise/unit		

**Note:** Temples, Church's, Mosques, Gurudwaras, Ashrams, Mutts and Religious / Charitable Institution availing the power supply for religious activities under LT supply, shall be categorized and billed under this Tariff schedule. If these institutions use the power for Kalyana Mantapas / Marriage hall, Restaurant or for any other commercial activity, not related to religious activities, such energy consumption shall be billed under LT-3 tariff schedule.

### **TARIFF SCHEDULE LT-2(b)**

Applicable to the installations of Private Professional and other Private Educational Institutions including aided, unaided institutions, Nursing Homes and Private Hospitals having only lighting or combined lighting & heating, and motive power.

#### **LT 2(b)(i): Applicable to all areas coming under Urban Local Bodies**

Particulars	Existing Tariff	Proposed tariff
<b>Fixed Charges</b>	Rs.120 Per KW subject to a minimum of Rs.150 per Month upto and inclusive of 50 KW	Rs.200 Per KW subject to a minimum of Rs.280 per Month upto and inclusive of 50 KW
	Rs.175 per KW for every additional KW above 50 KW	Rs.300 per KW for every additional KW above 50 KW
<b>Energy Charges</b>		
0 to 200 units	730 paise/unit	735 paise/unit
Above 200 units	855 paise/unit	885 paise/unit

#### **LT-2(b)(ii): Applicable in Areas under Village Panchayats**

Particulars	Existing Tariff	Proposed tariff
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No. of Corrections..... *nile* .....





## Tariff Revision Proposals

<b>Fixed Charges</b>	Rs.110 Per KW subject to a minimum of Rs.135 per Month upto and inclusive of 50 KW	Rs.195 Per KW subject to a minimum of Rs.235 per Month upto and inclusive of 50 KW
	Rs.165 per KW for every additional KW above 50 KW	Rs.255 per KW for every additional KW above 50 KW
<b>Energy Charges</b>		
0 to 200 units	675 paise/unit	685 paise/unit
Above 200 units	800 paise/unit	835 paise/unit

**Note:** Applicable to LT-2 (a), LT-2 (b) Tariff Schedules.

1. A rebate of 25 Paise Per unit shall be given for installation of a house/ School/ Hostels meant for Handicapped, Aged, Destitute and Orphans, Rehabilitation Centers run by Charitable Institutions.
2. (a) Use of power within the Consumer's premises for temporary purposes for bonafide use is permitted subject to the condition that, the total load of the installation on the system does not exceed the sanctioned load.  
(b) Where it is intended to use floor polishing and such other portable equipment temporarily, in the premises having permanent supply, such equipment shall be provided with an earth leakage circuit breaker of adequate capacity.
3. The laboratory installations in educational institutions are allowed to install connected machinery up to 4 times the sanctioned load. The fixed charges shall however be on the basis of sanctioned load.
4. Besides lighting and heating, Electricity supply under this schedule can be used for fans, Televisions, Radios, Refrigerators and other house-hold appliances including domestic water pump and air conditioners, provided, they are under single meter connection. If a separate meter is provided for Air conditioner Load, the consumption shall be under commercial tariff till it is merged with the main meter.

### **TARIFF SCHEDULE LT-3**

Applicable to Commercial Lighting, Heating and Motive Power installations of Clinics, Diagnostic Centers, X Ray units, Shops, Stores, Hotels/Restaurants/Boarding and Lodging Homes, Bars, Private guest Houses, Mess, Clubs, Kalyan Mantaps / Choultry, permanent Cinemas/ Semi Permanent Cinemas, Theatres, Petrol Bunks, Petrol, Diesel and oil Storage Plants, Service Stations/ Garages, Banks, Telephone Exchanges. T.V.Stations, Microwave Stations, All India Radio, Dish Antenna, Public Telephone Booths/ STD, ISD, FAX



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No. of Corrections.....*NH*

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## Tariff Revision Proposals

Communication Centers, Stud Farms, Race Course, Ice Cream Parlours, Computer Centres, Photo Studio / Colour Laboratory, Photo Copiers, Railway Installation excepting Railway workshop, KSRTC Bus Stations excepting Workshop, All offices, Police Stations, Commercial Complexes, Lifts of Commercial Complexes, Battery Charging units, Tyre Vulcanizing Centres, Post Offices, Bakery shops, Beauty Parlours, Stadiums other than those maintained by Govt. and Local Bodies. It is also applicable to water supply pumps and street lights not covered under LT 6, Cyber cafés, Internet surfing cafes, Call centres, BPO/ KPO, telecom I.T. based medical transcription centres, Private Hostels not covered under LT -2 (a), Home Stay/ Paying guests accommodation provided in an independent / exclusive premise, concrete mixtures(Ready Mix Concrete) units.

### Applicable to all areas

Existing Tariff			Proposed tariff for LT-3	
Fixed Charges	For LT-3(i)	For LT-3(ii)	Fixed Charges	
upto and inclusive of 50 KW	Rs.125 Per KW	Rs.115 Per KW	upto and inclusive of 50 KW	Rs.270 per kW
for every additional KW above 50 KW	Rs.230 per KW	Rs.220 per KW	for every additional KW above 50 KW	Rs.325 per kW
Energy Charges			Energy Charges	
0 to 50 units	840 paise/unit	790 paise/unit	0 to 50 units	840 paise/unit
Above 50 units	940 paise/unit	890 paise/unit	Above 50 units	950 paise/unit

Demand based tariff (optional) where sanctioned load is above 5 KW but below 150 KW				
Existing			Proposed	
Fixed Charges	For LT-3(i)	For LT-3(ii)	Fixed Charges	For LT-3
upto and inclusive of 50 KW	Rs.140 Per KW	Rs.130 Per KW	upto and inclusive of 50 KW	Rs.300 per kW
for every additional KW above 50 KW	Rs.245 per KW	Rs.235 per KW	for every additional KW above 50 KW	Rs.350 per kW
Energy Charges			Energy Charges	
0 to 50 units	840 paise/unit	790 paise/unit	0 to 50 units	840 paise/unit



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Above 50 units	940 paise/unit	890 paise/unit	Above 50 units	950 paise/unit
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**Note:** It is proposed to merge LT-3(i) & (ii) as LT-3

**Proposed Tariff for LT 3(A):** It is proposed to merge existing LT-7(b) tariff to LT-3 as LT-3(A)

Applicable to Hoardings & Advertisement boards, Bus Shelters with Advertising Boards, Private Advertising Posts / Sign boards in the interest of Public such as Police Canopy Direction boards, and other sign boards sponsored by Private Advertising Agencies / firms on permanent connection basis.

LT 3(A)	DETAILS	EXISTING TARIFF	PROPOSED TARIFF
Temporary power Supply on permanent connection basis	Less than 67 hp:	Fixed charges at Rs.150 per kw /month energy charges at 1120 paise / unit	Fixed charges at Rs.240 per kw /month energy charges at 1200 paise / unit

**Note:**

1. Besides Lighting, Heating and Motive power, Electricity supply under this Tariff can also be used for Yard lighting/ air Conditioning/water supply in the premises.
2. The semi-permanent Cinemas should have semi-Permanent Structure with permanent wiring and license for duration of not less than one year.
3. Touring Cinemas having an outfit comprising Cinema apparatus and accessories taken from place to place for exhibition of cinematography film and also outdoor shooting units shall be billed under LT- 7 Tariff.
4. A rebate of 20% on fixed charges and energy charges shall be allowed in the monthly bill in respect of telephone Booths having STD/ISD/FAX facility run by handicapped people.
5. Demand based Tariff at the option of the Consumer can be adopted as per para 1 of the conditions applicable to LT installations.

### TARIFF SCHEDULE LT-4(a), LT-4(b) & LT-4(c)

Applicable to (a) Agricultural Pump Sets including Sprinklers (b) Pump sets used in (i) Nurseries of forest and Horticultural Departments (ii) Grass Farms and Gardens (iii) Plantations other than Coffee, Tea, Rubber and Private Horticulture Nurseries.



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**LT-4 (a): Applicable to I.P. Sets Up to and inclusive of 10 HP**

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
Fixed charges	Free *	Free *
Energy charges per unit in rs	* CDT is 640 paise per unit which is to be given by gok as subsidy	* CDT is 7.01 paise per unit which is to be given by gok as subsidy

**LT-4 (b): Applicable to IP sets above 10 HP**

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
Fixed charges per HP/month	Rs. 110/-	Rs. 180/-
Energy charges	390 paise/unit	420 paise/unit

**LT-4 (c): Applicable to Private Horticultural Nurseries, Coffee, Tea and Rubber plantations**

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
Fixed charges per HP/month	Rs. 110/-	Rs. 200/-
Energy charges	390 paise/unit	510 paise/unit

**Note:**

- 1) The energy supplied under this tariff shall be used by the Consumers only for Pumping water to irrigate their own land as stated in the I.P. Set application / water right certificate and for bonafide agriculture use. Otherwise, such installations shall be billed under the appropriate Tariff (LT-3/LT-5) based on the recorded consumption if available, or on the consumption computed as per the Table given under Clause 42.06 of the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka.
- 2) The motor of IP set installations can be used with an alternative drive for other agricultural operations like sugar cane crusher, coffee pulping, Arecanut cutting etc., with the approval of the Licensee. The energy used for such operation shall be metered separately by providing alternate switch and charged at LT Industrial Tariff (Only Energy charges) during the period of alternative use. If the energy used both for IP Set and alternate operation, is however measured together by one energy meter, the energy used for alternate drive shall be estimated by deducting the average IP Set



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No. of Corrections..... *nil*





consumption for that month as per the IP sample meter readings for the sub division as certified by the sub divisional Officer.

- 3) The Consumer is permitted to use the energy for lighting the pump house and well limited to 2 lighting points of 40 W each.
- 4) The water pumped for agricultural purposes may also be used by the Consumer for his bonafide drinking purposes and for supplying water to animals, birds, Poultry farms, Diary farms and fish farms maintained by the Consumer in addition to agriculture.
- 5) Billing shall be made at least once in a quarter year for all IP sets.
- 6) A rebate of 2 paise per unit will be allowed if capacitors are installed as per Clause 23 of Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka in respect of all metered IP Set Installations.
- 7) Only fixed charges as in Tariff Schedule for Metered IP Set Installations shall be collected during the disconnection period of IP Sets under LT-4(a), LT-4(b) and LT-4(c) categories irrespective of whether the IP sets are provided with meters or not.

**TARIFF SCHEDULE LT-5**

Applicable to Heating & Motive power (including lighting) installations of industrial Units, Industrial Workshops, Poultry Farms, Sugarcane Crushers, Coffee Pulping, Cardamom drying, Mushroom raising installations, Flour, Huller & Rice Mills, Wet Grinders, Milk dairies, Ironing ,Dry Cleaners and Laundries having washing, Drying, Ironing etc., exclusive Tailoring Shops, Bulk Ice Cream and Ice manufacturing Units, Coffee Roasting and Grinding Works, Cold Storage Plants, Bakery Product Mfg. Units, KSRTC workshops/ Depots, Railway workshops, Drug manufacturing units and Testing laboratories, Printing Presses, Garment manufacturing units, Bulk Milk vending Booths, Swimming Pools of local Bodies, Tyre retreading units, Stone crushers, Stone cutting, Chilly Grinders, Phova Mills, pulverizing Mills, Decorticators, Iron & Red-Oxide crushing units, Crematoriums, Hatcheries, Tissue culture, Saw Mills, Toy/wood industries, Viswa Sheds with mixed load sanctioned under Viswa Scheme, Cinematic activities such as Processing, Printing, Developing, Recording theatres, Dubbing Theatres and film studios, Agarbathi manufacturing unit, Water supply installations of KIADB & industrial units, Gem & Diamond cutting Units, Floriculture, Green House, Biotech Labs., Hybrid seed processing units, Information Technology industries engaged in development of hardware & Software, Information Technology (IT) enabled Services / Start-ups/(As defined in GOI notification dated 17.04.2015) Animation



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No. of Corrections..... Nil

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## Tariff Revision Proposals

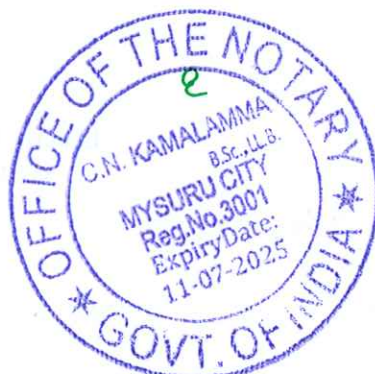
/ Gaming / Computer Graphics as certified by the IT & BT Department of GOK/GOI, Silk filature units, Aqua Culture, Prawn Culture, Brick manufacturing units, Silk / Cotton colour dying, Stadiums maintained by Govt. and local bodies, Fire service stations, Gold / Silver ornament manufacturing units, Effluent treatment plants, Drainage water treatment plants, independently serviced outside the premises of industries/ building for which the power supply is availed, LPG bottling plants and petroleum pipeline projects, Piggery farms, Analytical Lab. for analysis of ore metals, Satellite communication centers, Mineral water processing plants / drinking water bottling plants, soda fountain units and Solid Waste Processing Plant, **Transformer Repair Centre.**

Applicable to all areas

### i) Fixed charges

EXISTING TARIFF			PROPOSED TARIFF	
FIXED CHARGES	FOR LT-5(A)	FOR LT-5(B)	FIXED CHARGES	RS PER HP
For 5 HP & below	Rs. 90 per HP	Rs. 80 per HP	For 40 HP & below	Rs.270 per HP
For above 5 HP & below 40 HP	Rs.100 per HP	Rs.95 per HP		
For 40 HP & above but below 67 HP	Rs.125 per HP	Rs.120 per HP	For above 40 HP up to and inclusive of 100 HP	Rs.300 per HP
For 67 HP & above but below 100 HP	Rs.190 per HP	Rs.175 per HP		
For 100HP and above	Rs.225 per HP	Rs.210 per HP	For more than 100 HP	Rs.320 per HP

Demand based tariff (optional)				
Existing			Proposed	
Fixed Charges	For LT-5(a)	For LT-5(b)	Fixed Charges	For LT-5
Above 5 HP and less than 40HP	Rs. 120 per KW of billing demand	Rs. 110 per KW of billing demand	Above 5 HP and less than 40HP	Rs.300 per HP
40 HP and above but less than 67 HP	Rs. 155 per KW of billing demand	Rs. 145 per KW of billing demand	40 HP and above but less than 67 HP	Rs.350 per HP
67 HP and above but below 100 HP	Rs. 240 per KW of billing demand	Rs. 230 per KW of billing demand		



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Demand based tariff (optional)				
Existing			Proposed	
Fixed Charges	For LT-5(a)	For LT-5(b)	Fixed Charges	For LT-5
100 HP and above	Rs. 230 per KW of billing demand	Rs. 245 per KW of billing demand	100 HP and above	Rs.370 per HP

### Energy Charges:

Existing			Proposed	
Energy Charges	For LT-5(a)	For LT-5(b)	Energy Charges	For LT-5
0 to 500 units	585 paise/unit	575 paise /unit	0 to 500 units	595 paise/unit
501 to 1000 units	685 paise/ unit	670 paise /unit	501 to 1000 units	695 paise/ unit
Above 1000 Units	715 paise/unit	700 paise /unit	Above 1000 Units	720 paise/unit

**Note:** It is proposed to merge LT-5(a) & (b) as LT-5.

### Note:

- Rebate of 50 Paise per unit in Energy Charges for the Electricity consumed by the Micro and Small Scale Industries as Certified by the Government of Karnataka falling under LT-5 tariff category shall be allowed for a period of one year only.
- In addition to the concession in the fixed charges, a rebate in the energy charges by Rs.1 per unit for the energy consumed during the year shall be allowed to the installations of Ice manufacturing units/cold storage plants used for fisheries purpose, situated in the coastal belt area of Karnataka state within a radius of 5Kms from sea only.

**TOD Tariff applicable to LT-5: At the option of the Consumer**

Time of Day	Increase+ / reduction (-) in energy charges over the normal tariff applicable	Increase+ / reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00Hrs	0	0
10.00 Hrs to 18.00Hrs	0	0
18.00Hrs to 22.00Hrs	From July to November (monsoon Period)- 0 From December to June (+) 100 paise per unit	From July to November (monsoon Period)- 0 From December to June (+) 100 paise per unit



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No. of Corrections.....*orh*.....



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Time of Day	Increase+ / reduction (-) in energy charges over the normal tariff applicable	Increase+ / reduction (-) in energy charges over the normal tariff applicable
22.00Hrs to 06.00Hrs	From July to November (monsoon Period)- 0 From December to June (-)100 paise per unit	From July to November (monsoon Period)- 0 From December to June (-)100 paise per unit

### NOTE:

#### 1) DEMAND BASED TARIFF

In the case of LT Industrial Consumers, **Demand based Tariff** at the option of the Consumer can be adopted. The Consumer is permitted to have more connected load than the sanctioned load. The billing demand will be the sanctioned load or Maximum Demand recorded in the Tri-Vector Meter during the month whichever is higher. If the Maximum Demand recorded is more than the sanctioned load, penal charges at two times the normal rate shall apply.

- 2) **Seasonal Industries:** The industries which intend to utilize seasonal industry benefit shall comply with the conditionalities under para no. 26 of general terms and conditions applicable to LT.
- 3) Electricity can also be used for lighting, heating, and air-conditioning in the premises.
- 4) In the case of welding transformers, the connected load shall be taken as (a) Half the maximum capacity in KVA as per the name plate specified under-IS1851 or (b) Half the maximum capacity in KVA as recorded during rating by the Licensee, whichever is higher.

### TARIFF SCHEDULE LT-6

Applicable to water supply and sewerage pumping installations and also applicable to water purifying plants maintained by Government and Urban Local Bodies/ Grama Panchayats for supplying pure drinking water to residential areas, Public Street lights/Park lights of village Panchayat, Town Panchayat, Town Municipalities, City Municipalities / Corporations / State and Central Govt. / APMC, Traffic signals, Surveillance Cameras at traffic locations belonging to Government Department, subways, water fountains of local bodies. Also applicable to Streetlights of residential Campus of universities, other educational institutions, housing colonies approved by local bodies/development authority,



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religious institutions, organizations run on charitable basis, industrial area / estate and notified areas, also Applicable to water supply installations in residential Layouts, Street lights along with signal lights and associated load of the gateman hut provided at the Railway level crossing, High Mast street lights, Lifts/Escalators installed in pedestrian road crossing maintained by Government and Urban local bodies/Grama Panchayats independently serviced and Electric Vehicle Charging Stations.

### LT-6 (a): Water Supply

Particulars	Existing Tariff	Proposed tariff
Fixed charges	Rs.110/HP/month upto 67HP	Rs.190/HP/month upto 67HP
	Rs.215/HP/month for every additional kW above 67HP	Rs.295/HP/month for every additional kW above 67HP
Energy charges	500 Paise/unit	560 Paise/unit

### LT-6 (b): Public lighting

Particulars	Existing Tariff	Proposed tariff
Fixed charges	Rs.125/KW/month	Rs.205/KW/month
Energy charges	665 Paise/unit	700 Paise/unit
Energy charges for LED/ induction Lighting	560 paise/unit	595 paise/unit

### LT6(c): Electric Vehicle Charging/ Battery swapping Stations (Both LT and HT)

Details	Existing Tariff	Proposed tariff
Fixed / Demand charges	Rs.70/KW/month upto 50 KW	Rs.170/KW/month upto 50 KW
	Rs.170/KW/Month for every additional KW above 50KW	Rs.240/KW/Month for every additional KW above 50KW
	Rs.200/ KVA/ month	Rs.270/ KVA/ month
Energy charges (for both LT and HT)	500 paise/unit	550 paise/unit

The approved ToD tariff is applicable for the power supply availed under HT supply for charging the Electric Motor Vehicle in the Depots of BMTC/Depots of KSRTC/NEKRTC/NWKRTC only



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Time of Day	Increase+ / reduction (-) in energy charges over the normal tariff applicable	Increase+ / reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00Hrs	0	0
10.00 Hrs to 18.00Hrs	0	0
18.00Hrs to 22.00Hrs	From July to November (monsoon Period)- 0 From December to June (+) 100 paise per unit	From July to November (monsoon Period)- 0 From December to June (+) 100 paise per unit
22.00Hrs to 06.00Hrs	From July to November (monsoon Period)- 0 From December to June (-) 100 paise per unit	From July to November (monsoon Period)- 0 From December to June (-) 100 paise per unit

### TARIFF SCHEDULE LT-7

#### Applicable to Temporary Power Supply for all purposes

LT 7(A)	DETAILS	EXISTING TARIFF	PROPOSED TARIFF
Temporary power Supply for all Purposes.	Less than 67 HP:	Energy charge at 1120 paise/ unit subject to a weekly minimum of Rs.275 per kw of The sanctioned load.	Energy charge at 1190 paise/ unit subject to a weekly minimum of Rs.345 per kw of The sanctioned load.

#### Note :

- 1) It is proposed to merge LT-7(b) with LT-3
- 2) Temporary power supply with or without extension of distribution main shall be **arranged through a pre-paid energy meter** duly observing the provisions of Clause 12 of the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka.
- 3) This Tariff is also applicable to touring cinemas having license for duration less than one year.
- 4) All the conditions regarding temporary power supply as stipulated in Clause 12 of the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka shall be complied with before service.



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**HIGH TENSION SUPPLY**

**TARIFF SCHEDULE HT-1**

Applicable to Water Supply, Drainage / Sewerage water treatment plant and Sewerage Pumping installations, belonging to Karnataka Urban Water Supply and Sewerage Board, other local bodies, State and Central Government.

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
Demand charges	Rs.250/KVA of billing demand /month	Rs.595/KVA of billing demand/ month
Energy charges/unit	560 paise/unit	570 paise/unit

**TOD Tariff at the option of the Consumer**

Time of Day	Increase+ / reduction (-) in energy charges over the normal tariff applicable	Increase+ / reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00Hrs	0	0
10.00 Hrs to 18.00Hrs	0	0
18.00Hrs to 22.00Hrs	From July to November (monsoon Period)- 0 From December to June (+) 100 paise per unit	From July to November (monsoon Period)- 0 From December to June (+) 100 paise per unit
22.00Hrs to 06.00Hrs	From July to November (monsoon Period)- 0 From December to June (-) 100 paise per unit	From July to November (monsoon Period)- 0 From December to June (-) 100 paise per unit

**Note:**

Energy supplied to residential quarters availing bulk supply by the above category of Consumer, shall be metered separately at a single point, and the energy consumed shall be billed at HT-4 Tariff. No reduction in the demand recorded in the main HT meter will be allowed.

**TARIFF SCHEDULE HT-2(a)**

Applicable to Industries, Factories, Workshops, Research & Development Centers, Industrial Estates, Milk dairies, Rice Mills, Phova Mills, Roller Flour Mills, News Papers, Printing Press, Railway Workshops/KSRTC Workshops/ Depots, Crematoriums, Cold Storage, Ice & Ice-cream mfg. Units, Swimming Pools of local bodies, Water Supply Installations of KIADB and other industries, all Defence



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Establishments. Hatcheries, Poultry Farm, Museum, Floriculture, Green House, Bio Technical Laboratory, Hybrid Seeds processing Units, Stone Crushers, Stone cutting, Bakery Product Manufacturing Units, Mysuru Palace illumination, Film Studios, Dubbing Theatres, Processing, Printing, Developing and Recording Theaters, Tissue Culture, Aqua Culture, Prawn Culture, Information Technology Industries engaged in development of Hardware & Software, Information Technology (IT) enabled Services / Start-ups( As defined in GOI Notification dated 17.04.2015)/ Animation / Gaming / Computer Graphics as certified by the IT & BT Department of GOK/GOI, Drug Mfg. Units, Garment Mfg. Units, Tyre retreading units, Nuclear Power Projects, Stadiums maintained by Government and local bodies, also Railway Traction, Effluent treatment plants and Drainage water treatment plants owned other than by the local bodies independently serviced outside the premises of industry or buildings for which the HT power supply is availed, LPG bottling plants, petroleum pipeline projects, Piggery farms, Analytical Lab for analysis of ore metals, Saw Mills, Toy/wood industries, Satellite communication centers, Mineral water processing plants / drinking water bottling plants and solid waste Processing Plant.

Applicable to all areas of CESC

EXISTING TARIFF		PROPOSED TARIFF	
<b>DEMAND CHARGES</b>	Rs.265/kva of billing demand/month	<b>DEMAND CHARGES</b>	Rs.655/kva of billing demand/month
<b>ENERGY CHARGES</b>		<b>ENERGY CHARGES</b>	
For the first 1 lakh units	735 paise per unit	For all units	620 paise per unit
For the balance units	760 paise per unit		
<b>RAILWAY TRACTION &amp; EFFLUENT TREATMENT PLANT</b>			
<b>DEMAND CHARGES</b>	Rs.275/kva of billing demand/ month	<b>DEMAND CHARGES</b>	Rs.600/kva of billing demand/ month
<b>ENERGY CHARGES</b>	660 paise per unit for all the units	<b>ENERGY CHARGES</b>	660 paise per unit for all the units

**Note: The ToD tariff is applicable to these installations if the New Special incentive scheme is not opted.**



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No. of Corrections.....*nil*.....





**Tariff applicable to Effluent plants independently serviced outside the premises of any installations under HT2 (a)**

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
<b>DEMAND CHARGES</b>	RS. 275/KVA OF BILLING DEMAND PER MONTH	Rs.655/kva of billing demand/month
<b>ENERGY CHARGES</b>	700 PAISE PER UNIT FOR ALL THE UNITS	700 paise per unit

**TARIFF SCHEDULE HT-2(b)**

Applicable to Commercial Complexes, Cinemas, Hotels, Boarding & Lodging, Amusement Parks, Telephone Exchanges, Race Course, All Clubs, T.V. Station, All India Radio, Railway Stations, Air Port, KSRTC bus stations, All offices, Banks, Commercial Multi-storied buildings, APMC Yards, Stadiums other than those maintained by Government and Local Bodies, Construction power for irrigation, Power Projects and Konkan Railway Project, Petrol / Diesel and Oil storage plants, I.T. based medical transcription centers, telecom, call centers, BPO/KPO Diagnostic concrete mixture (Ready Mix Concrete) units and Private Guest Houses/ Travelers Bungalows.

**All the activities listed under LT3 tariff schedule and not included under HT2(b) tariff schedule shall be classified under HT-2(b), if they avail power under HT supply.**

**Applicable to all areas of CESC**

EXISTING TARIFF		PROPOSED TARIFF	
<b>DEMAND CHARGES</b>	Rs.290 /kva of billing demand/month	<b>DEMAND CHARGES</b>	Rs.670 /kva of billing demand/month
<b>ENERGY CHARGES</b>		<b>ENERGY CHARGES</b>	
For the first 2 lakh units	905 paise per unit	FOR ALL UNITS	7.15 paise per unit
For the balance units	915 paise per unit		

**TARIFF SCHEDULE HT-2(c)**

**HT-2(c)(i):** Applicable to Government Hospitals, Hospitals run by Charitable Institutions and ESI hospitals and Universities, Educational Institutions belonging to



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Government and Local bodies, Aided Educational Institutions and Hostels of all Educational Institutions.

EXISTING		PROPOSED	
<b>DEMAND CHARGES</b>	Rs.260/kva of billing demand/month	<b>DEMAND CHARGES</b>	Rs.610/kva of billing demand/month
<b>ENERGY CHARGES</b>		<b>ENERGY CHARGES</b>	
For the first one lakh units	720 paise per unit	For all units	670 paise per unit
For the balance units	760 paise per unit		

**HT-2(c)(ii) - Applicable to Hospitals and Educational Institutions other than those covered under HT-2 (c)(i).**

EXISTING		PROPOSED	
<b>DEMAND CHARGES</b>	Rs.265/kva of billing demand/month	<b>DEMAND CHARGE S</b>	Rs.660/kva of billing demand/month
<b>ENERGY CHARGES</b>		<b>ENERGY CHARGES</b>	
For the first one lakh units	820 paise per unit	For all units	790 paise per unit
FOR THE BALANCE UNITS	860 paise per unit		

**Note: Applicable to HT-2 (a), HT-2 (b) & HT-2(c) Tariff Schedule.**

1. Energy supplied may be utilized for all purposes associated with the working of the installation such as offices, stores, canteens, yard lighting, water pumping and advertisement within the premises.
2. Energy can be used for construction, modification and expansion purposes within the premises.
3. The tariff HT-2(b) is not applicable for construction of new industries. Such power supply shall be availed only under the temporary category HT-5.
4. In respect of consumers availing HT power supply, the energy used for Effluent Treatment Plant and Drainage water treatment plants situated within the premises of the installation from the main meter or by fixing the separate sub-meter, the electricity consumed by such Effluent Treatment/ Drainage Treatment Plant shall be billed at the respective applicable tariff schedule for which the power supply is availed for the installation.

TOD Tariff applicable to HT 2(a), HT2 (b) and HT2(c) category

Tariff Revision Proposals

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29 NOV 2022

No. of Corrections.....*nik*

*K. R. Srinivas*  
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## Tariff Revision Proposals

Time of Day	Increase+ / reduction (-) in energy charges over the normal tariff applicable	Increase+ / reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00Hrs	0	0
10.00 Hrs to 18.00Hrs	0	0
18.00Hrs to 22.00Hrs	From July to November (monsoon Period)- 0 From December to June (+) 100 paise per unit	From July to November (monsoon Period)- 0 From December to June (+) 100 paise per unit
22.00Hrs to 06.00Hrs	From July to November (monsoon Period)- 0 From December to June (-) 100 paise per unit	From July to November (monsoon Period)- 0 From December to June (-) 100 paise per unit

Note: The ToD tariff is not applicable to Railway Traction Installations

### TARIFF SCHEDULE HT-3(a)

Applicable to Lift irrigation Schemes/ Lift irrigation societies

**HT-3(a)(i): Applicable to LI schemes under Govt. Departments/Govt. owned Corporations**

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
Energy Charges/Minimum Charges	315 paise per unit subject to an annual minimum of Rs.1900 per HP/ Annum	375 paise per unit subject to an annual minimum of Rs.3100 per HP/ Annum

**HT-3(a)(ii): Applicable to Private LI schemes and Lift Irrigation societies**

EXISTING TARIFF		PROPOSED TARIFF	
	For HT-3(a) (ii)	For HT-3(a) (iii)	For HT-3 (a) (ii)
<b>Fixed Charges</b>	Rs.110/HP/per month of sanctioned load	Rs.90/HP/ per month of sanctioned load	<b>Fixed Charges</b> Rs.425/HP/per month of sanctioned load
<b>Energy Charges</b>	315 paise/unit	315 paise/unit	<b>Energy Charges</b> 365 paise/unit

Note: It is proposed to merge HT-3(a)(ii) & HT-3(a)(iii) to HT-3(a)(ii).

**HT-3 (b): Applicable to Irrigation and Agricultural Farms, Government Horticultural Farms, Private Horticulture nurseries, Coffee, Tea, Rubber, Coconut & Arecanut Plantations.**



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No. of Corrections..... Nil



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PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
Energy Charges/ Minimum Charges	515 Ps. per unit subject to an annual minimum of Rs.1780/- per HP of sanctioned load.	530 paise per unit subject to an annual minimum of Rs.3160/- per HP of sanctioned load.

### TARIFF SCHEDULE HT-4

Applicable to Residential apartments and colonies (whether situated outside or inside the premises of the main HT Installation) availing power supply independently or by tapping the main H.T. line. Power supply can be used for residences, theatres, shopping facility, club, hospital, guest house, yard/street lighting, canteen located within the colony, Temple, Church's, Mosques, Gurudwaras, Ashrams, Mutts and Religious/ Charitable institutions using power for religious activities.

Applicable to all areas of CESC, Mysuru.

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
Demand Charges	Rs.175/ per kVA of billing demand/ month	Rs.515 per kVA of billing deman d/ month
Energy Charges	705 paise/unit	710 paise/unit

#### NOTE:

- 1) In respect of residential colonies availing power supply by tapping the main H.T. supply, the energy consumed by such colony loads metered at a single point, is to be billed at the above energy rate. No reduction in the recorded demand of the main H.T. supply is allowed.
- 2) Energy under this tariff may be used for commercial and other purposes inside the colonies for installations such as, Canteens, Clubs, Shops, Auditorium etc., provided, this commercial load is less than 10% of the Contract demand.
- 3) In respect of Residential Apartments, availing HT Power supply under HT-4 tariff schedule, the supply availed for Commercial and other purposes like Shops, Hotels, etc., will be billed under appropriate tariff schedule (Only Energy charges), duly deducting such consumption in the main HT supply bill. No reduction in the recorded demand of the main HT meter is allowed. Common areas shall be billed at Tariff applicable to the predominant Consumer category.



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No. of Corrections... *nile*





- 4) Temples, Church's, Mosques, Gurudwaras, Ashrams, Mutts and Religious / Charitable Institution availing the power supply for religious activities under HT supply, shall be categorized and billed under HT-4 Tariff schedule. If these institutions use the power for Kalyana Mantapas / Marriage hall, Restaurant or for any other commercial activity, not related to religious activities, such energy consumption shall be billed under HT-2(b) tariff schedule (only energy charges) duly deducting such consumption recorded in the main HT meter. However, no reduction in the demand charges towards the recorded demand in the main HT meter shall be allowed. In all such cases, it shall be ensured that sub meters are provided to record such commercial consumption separately.

**TARIFF SCHEDULE HT-5**

**Tariff applicable to sanctioned load of 67 HP and above for availing power supply for construction power for irrigation and power projects and Konkan Railway Projects and also applicable to power supply availed on temporary basis with the contract demand of 67 HP and above of all categories.**

PARTICULARS	EXISTING TARIFF	PROPOSED TARIFF
67 HP AND ABOVE		
FIXED CHARGES/DEMAND CHARGES	RS.325/HP/MONTH FOR THE ENTIRE SANCTION LOAD /CONTRACT DEMAN	
ENERGY CHARGES	1120 PAISE / UNIT	

**Note:**

1. Temporary power supply with or without extension of distribution main shall be arranged through a pre-paid energy meter duly observing the provisions of Clause 12 of the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka.
2. This Tariff is also applicable to touring cinemas having license for duration less than one year.
3. All the conditions regarding temporary power supply as stipulated in Clause 12 the Conditions of Supply Electricity of the Distribution Licensees in the State of Karnataka shall be complied with before service.



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No. of Corrections... *0*

**Other Issues:****7.3 Determination of Wheeling and Banking Charges:**

Hon'ble Commission vide Order dated 18-08-2014 has retained the Wheeling charges at 5% of the injected energy for wind, mini-hydel, bagasse based co-generation plants and Biomass based projects and Banking Charges at 2% of the injected energy applicable to wind and mini-hydel projects.

In addition Hon'ble Commission vide order dated 14.05.2018 has ordered to collect 25% of the normal transmission charges in cash as determined by the Commission in its tariff orders from time to time for using the network of the transmission licensee/ distribution licensee as the case may be. The above order was set aside by the High Court of Karnataka and APTEL orders. The order was remanded back to KERC for reconsideration. However, BESCOM with other ESCOMS has filed an appeal against the High Court of Karnataka and APTEL orders in the Supreme Court of India.

**Wheeling within CESC Area**

The distribution network costs to HT and LT networks for determining wheeling charges is done in the ratio of 30:70. Based on the projected ARR for distribution business and sales for FY-24, the wheeling charges for each voltage level is worked out as under:

Distribution ARR-Rs. Crs.	1284.02
Sales -MU	7167.89
<b>Wheeling charges-paise/unit:</b>	<b>179.14</b>
	<b>Paise/unit</b>
HT-Network @ 30%	53.74
LT-Network @ 70%	125.39
<b>Loss allocation</b>	<b>% loss</b>
HT	1.82%
LT	7.25%

**7.4 Cross Subsidy Surcharge:**

Hon'ble Commission determined Cross Subsidy Surcharge vide Tariff Order 2015 to all open access / wheeling transactions in the area coming under CESC Mysuru and is calculated based on the actual realization rate and adopting the surcharge formula as specified in the Tariff Policy 2016.



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No. of Corrections.....*nil*.....





## Tariff Revision Proposals

Based on the similar lines, Cross Subsidy Surcharge to all open access / wheeling transactions in the area coming under CESC Mysuru for FY 24 is as follows;

Particulars	HT-1	HT-2a	HT-2b	HT2(c)i	HT2(c)ii	HT3(a)	HT3(b)	HT-4	HT5
Average Realisation rate-Paise/unit @ existing rate	621.41	966.66	1282.43	1019.96	1110.37	394.61	705.00	1008.98	1556.72
proposed tariff hike	10.00	-130.00	-192.00	-50.00	-30.00	60.00	15.00	5.00	80.00
Average Realisation rate-Paise/unit	631.41	836.66	1090.43	969.96	1080.37	454.61	720.00	1013.98	1636.72
Cost of supply @ 66kV and above level	574.12	574.12	574.12	574.12	574.12	574.12	574.12	574.12	574.12
Cross subsidy surcharge paise/unit @ 66kV and above level	57.28	262.54	516.31	395.84	506.25	-119.51	145.87	439.86	1062.59
20% of the tariff applicable to the category of the consumers	126.28	167.33	218.09	193.99	216.07	90.92	144.00	202.80	327.34
<b>Cross subsidy surcharge limited to 20% of the tariff applicable</b>	<b>57.28</b>	<b>167.33</b>	<b>218.09</b>	<b>193.99</b>	<b>216.07</b>	<b>-119.51</b>	<b>144.00</b>	<b>202.80</b>	<b>327.34</b>
Cost of supply @ HT level	772.90	772.90	772.90	772.90	772.90	772.90	772.90	772.90	772.90
Cross subsidy surcharge paise/unit @ HT level	-141.49	63.77	317.54	197.07	307.48	-318.29	-52.90	241.09	863.82

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## Tariff Revision Proposals

Particulars	HT-1	HT-2a	HT-2b	HT2(c)i	HT2(c)ii	HT3(a)	HT3(b)	HT-4	HT5
20% of the tariff applicable to the category of the consumers	126.28	167.33	218.09	193.99	216.07	90.92	144.00	202.80	327.34
Cross subsidy surcharge limited to 20% of the tariff applicable	-141.49	63.77	218.09	193.99	216.07	-318.29	-52.90	202.80	327.34

CESC Mysuru proposes the cross subsidy surcharge for various categories of consumers as appended below;

Voltage level	HT-1	HT-2a	HT-2b	HT2(c)i	HT2(c)ii	HT3(a)	HT3(b)	HT-4	HT5
66 kV & above	57.28	167.33	218.09	193.99	216.07	-	144.00	202.80	327.34
HT level-11 kV/ 33kV	-	63.77	218.09	193.99	216.07	-	-52.90	202.80	327.34

### 7.5 Additional Surcharge:

CESC has tied up sufficient quantum of power, after approval of the Hon'ble Commission, by considering the overall growth. However, on the other hand, a large number of consumers are buying power under Open Access instead of availing supply from CESC. As a result, the generation capacity tied up by CESC remains idle.

In this situation, CESC needs to back down the generation and also required to pay Fixed Charges (or Capacity Charges) to the Generators irrespective of actual purchase. Thus, the need for recovery of the part of fixed cost towards the stranded capacity arising from the power purchase obligation through levy of Additional Surcharge from OA consumers has been underlined by Hon'ble Commission in the Order No.OP No.53/2017, dated 14.05.2018.



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No. of Corrections..... *nika*





## Tariff Revision Proposals

Further Hon'ble Commission has allowed the levy of additional surcharge in the above order from 01.04.2022 to 31.03.2023.

CESC Mysuru prays Hon'ble Commission to continue the levy of additional surcharge for the open access consumers procuring power from power exchanges and RE generators.

CESC has determined the additional surcharge by allocating the total fixed charges of power purchase to EHT and HT consumers in proportion to their input energy. CESC while computing the Additional Surcharge has excluded the KPTCL transmission Charges & SLDC charges and the distribution network cost, as these charges are being recovered from the open access consumers for the use of transmission and distribution network. Further, CESC has also considered the fixed cost associated with the retail supply business allocated to EHT and HT consumers in proportion to their energy sales. Based on the above, the total Fixed Charges excluding KPTCL transmission charges, SLDC charges and Distribution network charges is considered for computation of Additional surcharge for EHT and HT consumers.

Further, out of the fixed charges recovered from HT & EHT consumers in retail supply tariff, the fixed costs allocated to EHT and HT consumers towards transmission and distribution network cost, is deducted on first charge basis. The balance of the fixed charges attributable to HT/EHT consumers and the remaining stranded fixed cost has to be recovered from OA consumers by levy of additional surcharge.

Based on the above method, the additional surcharge recoverable from the consumers of CESC for FY-24 is worked as Rs.1.66/unit

SL. NO	PARTICULARS	CALCULATION	UNIT	FY-24
1	Total Fixed Cost of Power Purchase to HT/EHT Consumers in proportion to their input energy.	A	Rs. In Crores	1086.89
2	KPTCL Transmission Charges & SLDC Charges & PCKL Charges & Distribution network charges	B	Rs. In Crores	138.14



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No. of Corrections..... 014



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3	Fixed Cost recovered by retail supply business allocated to consumers in proportion to their energy sales	C	Rs. In Crores	668.21
4	Short fall in recovery of Fixed Cost to be considered for determination of Additional Surcharge	$D=A-B-C$	Rs. In Crores	280.54
5	Total HT/EHT Sales of CESC	E	in Mus	1691.12
6	Additional Surcharge	$F = D/E$	Rs. / Unit	1.66



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No. of Corrections.....*N/A*.....

*K. Ravi*  
General Manager (Commercial)  
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CESC, Mysuru





## Prayer

CESC, Mysuru with averments made in this Tariff revision proposal for 2<sup>nd</sup> year of 6<sup>th</sup> control period i.e., for FY-24 and various issues outlining the revenue requirement, respectfully prays before the Hon'ble Commission, that the Hon'ble Commission may kindly consider and approve the following:

- a. To approve the Annual Performance Review (APR) application for the year FY-22.
- b. There is a deficit of Rs.382.64 Crores for FY-22. It is requested to carry forward this gap of Rs.382.64 Crores to FY-24.
- c. To approve the Expected Revenue from Charges (ERC) for the Second year of Sixth Control Period i.e., for FY-24, for the Wires and Retail supply business along with the contents of this Application
- d. To approve the deficit of FY-24 of Rs.667.10 Crs.
- e. To approve the Annual Revenue Requirement (ARR) for FY-24.
- f. To approve the tariff application based on submissions made in the Chapter 1 to Chapter 7 of the present ERC application including upward revision in the Fixed charges and Energy Charges.
- g. To approve the tariff increase proposed by CESC for the 2<sup>nd</sup> (Second) year (FY-24) of the 6<sup>th</sup> MYT Control period.

for CESC Mysuru,

  
General Manager (Commercial)  
Corporate Office.

Document No. 512 Date 29/11/2022  
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.....8 Book No II.....



Solemnly Affirmed & Sworn to

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Before me on 29 NOV 2022

  
NOTARY, MYSORE

29 NOV 2022

No. of Corrections nk.....

  
General Manager (Commercial)  
Corporate Office,  
CESC, Mysuru

