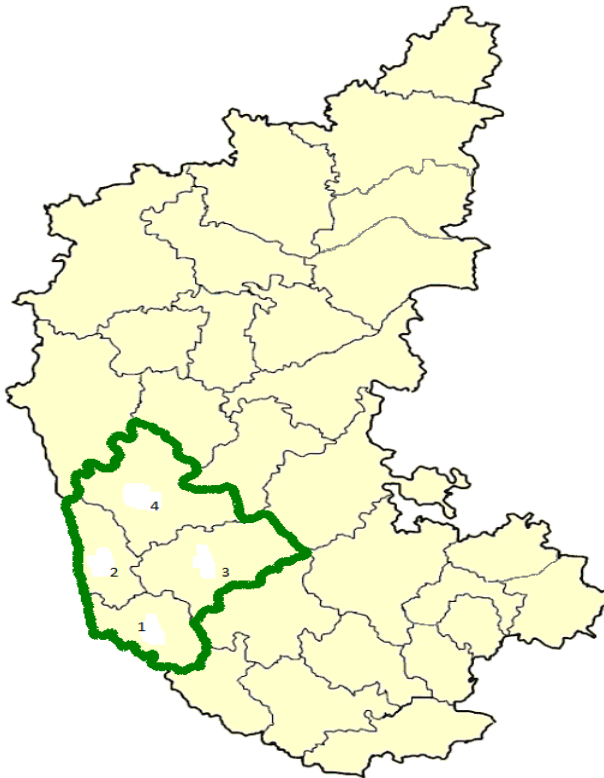


CHAPTER – 1

INTRODUCTION

1.0 Mangalore Electricity Supply Company Ltd.- (MESCOM):

The MESCOM is a Distribution Licensee under the provisions of Section 14 of the Electricity Act, 2003 (hereinafter referred to as the 'Act'). The MESCOM is responsible for purchase of power, distribution and retail supply of electricity to its consumers and also providing infrastructure for Open Access, Wheeling and Banking in its area of operation, in the four Districts of the State as indicated below:



1. Dakshina Kannada

2. Udupi

3. Chikkamagaluru

4. Shivamogga

The MESCOM is a company registered under the Companies Act, 1956, incorporated on 30th April, 2002. The MESCOM commenced its operations on 1st June, 2002 covering initially a larger area than its present jurisdiction.

Subsequently, the MESCOM was split into two companies namely, the Mangalore Electricity Supply Company Ltd., with headquarters at Mangaluru covering five districts namely Dakshina Kannada, Udupi, Shivamogga, Chikkamagaluru and Kodagu and, the Chamundeshwari Electricity Supply Corporation Ltd., (CESC) with headquarters at Mysore covering four districts namely Mysore, Chamarajanagara, Mandya and Hassan. This came into effect from 1st April, 2005.

Later, Kodagu District was transferred from the MESCOM to the CESC with effect from 1st April, 2006.

At present, the MESCOM's area of operations is structured as follows:

O&M Zones	O&M Circles	O&M Divisions
Mangaluru	Mangaluru Circle	Mangaluru-1
		Mangaluru-2
		Bantwal
		Puttur
	Udupi Circle	Udupi
		Kundapura
Shivamogga	Shivamogga Circle	Shivamogga
		Bhadravathi
		Sagar
		Shikaripura
	Chikkamagaluru Circle	Kadur
		Chikkamagaluru

The O & M Divisions of the MESCOM are further divided into sixty Sub-Divisions with each of the Sub-Divisions having two to three O & M Section Offices. There are 234 O & M accounting / non-accounting Section Offices.

The Section Offices are the base level offices looking into operation and maintenance of the distribution system in order to provide reliable and quality power supply to the MESCOM's consumers.

1.1 The MESCOM at a glance:

The profile of MESCOM is as indicated below:

Sl. No.	Particulars (As on 30-09-2019)		Statistics
1	Area	Sq. Km.	26222
2	Districts	No.s	4
3	Taluks	No.s	29
4	Population	Lakhs	61.55
5	KPTCL Sub-stations (66kV & above)	No.s	89
6	MESCOM Sub-stations (33 kV)	No.s	40
7	Consumers	Lakhs	24.15
8	Distribution Transformer Centers	Nos.	79084
9	Assets (Net Fixed Assets As on (31-03-2019)	Rs. in Cr.	1894.81
10	HT lines	Ckt. Km	40292
11	LT lines	Ckt. Km	84078
12	Total employee strength:		
A	Sanctioned	Nos.	9261
B	Working	Nos.	5410
13	Rev. Demand in (FY19)	Rs. in Cr.	3509.52
14	Rev. Collection in (FY 19)	Rs. in Cr.	3503.11
15	Energy Sales in FY 19	MU	4956.88

Source : Tariff filing

1.2 Number of Consumers, Sales in MU to various categories of consumers and details of Revenue for FY19 as filed by MESCOM are as follows:

Category	No. of Installations	Sales in MU	Revenue in Rs.Crs.
Domestic – LT2(a)	1547297	1361.98	805.43
Commercial (LT + HT)	213134	570.73	543.63
Industrial (LT + HT)	32065	800.64	610.88
Agriculture – LT4(a)	326187	1630.90	867.33
Others	250595	592.63	524.98
Total	2369278	4956.88	3352.25

Source: D2 format of tariff filing

Mangalore Special Economic Zone Ltd, (MSEZL), as a deemed licensee, is purchasing power from MESCOM at the bulk supply tariff determined by the Commission. MSEZL, has filed a separate application for approval of Revision of ARR for FY21 and retail supply tariff for its distribution and supply area for FY21.

MESCOM has filed its application for Annual Performance Review for FY19, approval of Revised Annual Revenue Requirement (ARR) for FY21 and Revision of Retail Supply Tariff for FY21.

MESCOM's application, the objections / views of stakeholders thereon and the Commission's decisions are discussed in detail, in the subsequent Chapters of this Order.