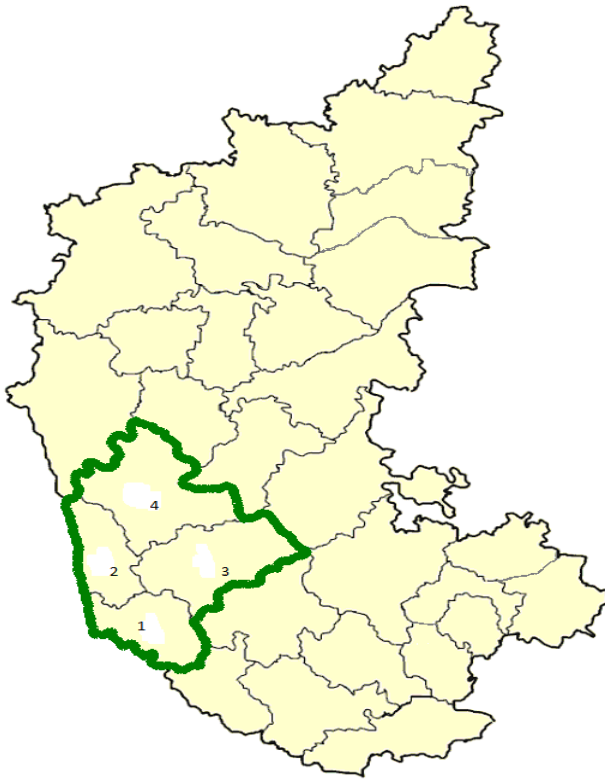


## CHAPTER – 1

### INTRODUCTION

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

The MESCOM is a Distribution Licensee under 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 which includes 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 30<sup>th</sup> April, 2002. The MESCOM commenced its operations on 1<sup>st</sup> June, 2002.

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.

Further, the Madikeri Division (Kodagu District) was transferred from the MESCOM to the CESC with effect from 1st April, 2006.

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

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

The O & M Divisions of the MESCOM are further divided into fifty seven Sub-Divisions with each of the Sub-Divisions having two to three O & M Section Offices. There are 221 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 30-09-2016)		Figures
1	Area	Sq. Km.	26222
2	Districts	No.s	4
3	Taluks	No.s	22
4	Population	Lakhs	61.55
5	Consumers (As on 30-09-2016)	Laksh	21.85
6	Energy sales (FY16)	MUs	4309.17
7	Zone	Nos	1
8	Distribution Transformer Centers	No.s	56426
9	Assets (Net Fixed Assets As on 31-03-2016)	Rs. in Cr.	1003.96
10	HT lines (As on 30-09-2016)	Ckt. Km	32507
11	LT lines (As on 30-09-2016)	Ckt. Km	77473
12	Total employee strength:		
A	Sanctioned (As on 30-09-2016)	Nos.	8741
B	Working (As on 30-09-2016)	Nos.	5520
13	Rev. Demand in (FY16)	Rs. in Cr.	2691.75
14	Rev. Collection in (FY-16)	Rs. in Cr.	2497.21

### 1.2 Number of Consumers, Sales in MU to various categories of consumers and details of Revenue for FY16 as filed by MSECOCM are as follows:

FY 2015-16			
Category	No. of Installation	Sales in MU	Revenue in Rs.Crs.
Domestic	1604864	1336.92	606.10
Commercial	190681	509.95	414.20
Industrial	28584	735.74	508.94
Agriculture	278374	1206.96	508.40
Others	50043	519.60	654.11
<b>Total</b>	<b>2152546</b>	<b>4309.17</b>	<b>2691.75</b>

M/s Mangalore Special Economic Zone Ltd, (MSEZL), as a deemed licensee, is purchasing power from MESCOM as per the bulk supply tariff determined by the Commission. M/s MSEZL, has filed separate application for approval of Revision of ARR and retail supply tariff for its distribution and supply area for FY18.

The MESCOM has filed its application for approval of Annual Performance Review for FY16, Revision of Annual Revenue Requirement (ARR) for FY18 and Revision of Revision of Retail Supply Tariff for FY18.

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.