

Preliminary Observations on BESCOMs' application on APR FY16, Revision of ARR, Distribution and Retail Supply Tariff for FY18

1. Observations on Annual Performance Review for FY16

I. Capital Expenditure of BESCOM for FY16:

a) In the Tariff Order dated 2nd March, 2015, the Commission had approved an amount of Rs.627 Crores towards capital expenditure for FY16, against the BESCOM's proposed capex of Rs.2050 Crores, with the loan amount of Rs.604 Crores indicated by BESCOM for capex of FY16.

The BESCOM has incurred a capital expenditure of Rs.1805.43 Crores as in Form D17 for FY16. Whereas, in the item-wise capital expenditure declared in table on page No.15, the capital expenditure achieved is shown as Rs.1374.31 Crores as against the Commission's approved capex of Rs.627 Crores for FY16. BESCOM needs to furnish the reasons for the difference in the capital expenditure against each head of capex for the following works:

Amount in Rs. Crores

Sl. No	Schemes	Approved Capex	Expenditure incurred	Difference	Remarks
1	E&I works				Reasons for Deviations may be furnished separately for each of the items
A	11 KV Lines for New Stations	80	33.48	46.52	
B	11 KV Other Work+ DTCs including dedicated DTCs for DWS Schemes.	70	22.23	47.77	
C	Re- conducting of ACSR /Rabbit to Coyote in Bangalore Urban	30	18.53	11.47	
D	Re-conductoring of LT line using Rabbit conductor	20	17.88	2.12	
E	Re- conducting (Improvement works on 11 KV Rural Feeders)	20		20	
F	Strengthening of 11 KV UG cable Network with RMUs	25	45.09	-20.09	
2	NJY		177.47	-177.47	

3	Providing infrastructure to Un authorized IP Sets	60	212.34	-152.34
4	(A) DTC Metering Programme Non RAPDRP Area	30	18.81	11.19
	(B) Replacing Mechanical Meter By Electrostatic.	20	69.77	-19.77
	(C) Smart Meter, HT- TOD Meter Replacing MNR etc .	30		
5	RAPDRP & DAS		121.97	-121.97
6	Service connections	25	58.64	-33.64
7	Replacement of failure DTCs by new ones	15	95.52	-80.52
8	A)Civil Engineering works, DSM & Others	25	34.97	-9.97
	B)Consumer Education	1		1
9	HVDS		255.77	-255.77
10	Providing fault locators	1		1
11	Electrification Hamlets /Villages	5		5
12	Energisation of IP Sets	20		20
13	T &P and Computers, IT initiative, TIC	10	36.94	-26.94
14	Other works including Safety measures fund, Local Planning, Emergency restoration, TIC	20	67.43	-47.43
15	Providing AB Cable	120	10.93	109.07
16	Ganga Kalyana		57.5	-57.5
17	DDUGJY		1.24	-1.24
18	IPDS		3.21	-3.21
19	One Time Maintenance		13	-13
20	RGVY 12th plan		1.6	-1.6
	Total	627	1374.33	-747.33

Note: (-) indicates additional expenditure.

From the above table, it is seen that, the capital expenditure incurred by BESCOM is in excess of the approved amount to an extent of Rs.747.33 Crores for FY16. The Commission notes that, the capex incurred beyond the approved amounts would entail incurring additional amounts towards interest and depreciation affecting the approved ARR and the retail supply tariff.

Hence, the BESCO shall give reasons for incurring additional capex beyond the approved capex without prior approval of the Commission, despite specific directions to do so.

The BESCO is also required to furnish details of sources of funding (like grants, debt, equity and internal sources) for the capex incurred during FY16 along with the details of additional interest and depreciation burden due to increased outlay thereon.

The amount of assets categorized for FY16 has been shown in format D17 & D15 as Rs.2025.29 Crores. The capital expenditure categorized/ capitalized towards plants & machinery and lines & Cables is indicated as Rs.1787.66 Crores in format D16. As per the data furnished for conducting prudence check of categorized works for FY16, the total amount towards categorized works was shown as Rs.1575.87 Crores only. BESCO needs to confirm the correct amount of categorized works for FY16, besides explaining the reasons for showing a different amount in Format-D16 than that of the data furnished in statement submitted for conducting Prudence check.

From the above table, the following observations are made on the capital expenditure incurred by BESCO:

- b) In case of E&I works like 11 KV Lines for New Stations, 11 KV Other Work and DTCs including dedicated DTCs for DWS Schemes and Re- conducting of ACSR /Rabbit to Coyote in Bangalore Urban – which are very essential for improvement of the ESCOM's network strengthening, the BESCO has achieved less than 50% of the approved capex. Since these schemes help BESCO to improve its distribution system network and connectivity and reduce technical losses, the reasons for not achieving the set target needs to be explained. Further, the BESCO should have taken up improvement works mentioned below as directed by the Commission in its tariff Order dated 30th March, 2016:
 - I. Reactive power compensation to improve the PF to 0.9-0.95 lag.
 - II. Reconfiguration of distribution lines

- III. Replacement of conductors by higher size, wherever required.
- IV. Drawing express feeders to bifurcate the loads
- V. Establishing new 33kV substations and Proposing establishment of new 66/11 kV transmission voltage substations by KPTCL.
- VI. Installing additional DTCs and shifting DTCs to load centres to reduce the LT line lengths.

Further, the Commission had issued "Capital Expenditure Guidelines for ESCOMs" in which the capital investment planning process and prioritization and post commissioning analysis is to be adopted by the ESCOMs have been elaborated. BESCO shall clarify as to whether it has carried out the works according to the guidelines issued by the Commission.

- c) In respect of NJY programme, BESCO has incurred a capex of Rs.177.47 Crores. BESCO needs to explain the benefits accrued to it from these works with justifications as to whether, the IP Set loads are restricted only to the limited hours of supply as per GoK order and is there any improvement in the metered sales to the Villages having continuous power supply through segregated feeders.
- d) In respect to Replacing Mechanical Meter by Electrostatic and Smart Meter, HT- TOD Meter Replacing MNR etc. BESCO has achieved a capex of Rs.69.77 Crores as against the approved capex of Rs.50 Crores. BESCO shall give reasons for excess capex and submit the details of the meters replaced and the benefits accrued from it.
- e) In case of Replacement of failed DTCs by new ones, the BESCO has shown a capex of Rs.95.52 Crores which does not appear to be correct. In the previous year also, the Commission had pointed out the discrepancy in the accounting practice regarding this item and all ESCOMs had agreed to set right the same. However, BESCO seems to have not rectified the anomaly pointed out in financial accounting of repairs and Replacement of transformers. BESCO should note that, only the failed burnt/scraped transformers should be replaced by new transformers and can be accounted as capex and the charges incurred for the repairs of failed Transformers are

debited to Revenue Expenditure. Hence, BESCO needs to set right the accounting system of this item and indicate the actual capex incurred for replacement of failed transformers along with furnishing the details as per the following format:

Particulars	Capacity of Transformer in kVA	Total	
		Nos	Amount
Opening Balance of failed Transformers	250		
	100		
	63		
	25		
No. of transformers failed during the year	250		
	100		
	63		
	25		
No. of transformers scrapped during the year	250		
	100		
	63		
	25		
Total No. of Transformers Repaired during the year	250		
	100		
	63		
	25		
Balance failed Transformers to be repaired (including OB)	250		
	100		
	63		
	25		
Total No. of Repaired Transformers used for replacement of failed Transformers	250		
	100		
	63		
	25		
Total No. of new transformers provided for replacement of failed transformer	250		
	100		
	63		
	25		

- f) In respect of Civil Engineering works, DSM & Others – BESCO has shown achievement exceeding the approved level and hence, shall furnish the reasons for it, along with breakup of the expenditure.
- g) In respect of providing infrastructure to Un authorized IP Sets – BESCO has incurred a capex of Rs.212.34 Crores as against the approved capex of Rs.60 Crores. BESCO needs to furnish the following details on infrastructure to un-authorized IP Sets:

Sl No	Total Number of Un-IP sets as on 1-4-2015	Total Number of Un-IP sets added during FY16	Total No. of IP Sets provided with infrastructure in FY16	Balance Un-authorized IP sets to be provided with Infrastructure	Target date within which all Un-IP set will be covered	Reasons for not covering all the Un-IP Sets

- h) In respect of RAPDRP A and B programme, BESCO has achieved Rs.70.74 Crores and Rs.6.98 Crores respectively. BESCO shall furnish the break-up of the expenditure incurred.
- i) In respect of Distribution Automation System (DAS) & Smart Grid (SG) programme, BESCO has indicated a capex of Rs.44.25 Crores. BESCO shall submit the details of expenditure on both DAS and SG programs and also state the benefits envisaged from these expenditures. Further, BESCO shall indicate as to when the DAS program will be completed and commissioned.
- j) In respect of HVDS, BESCO has achieved a capex of Rs.255.77 Crores. BESCO needs to furnish the details as per format below and furnish the analysis of the impact of HVDS in the already completed feeders.

Name of the Division/Subdivision in which HVDS is taken up	No. of Feeders covered	Cost of the projects	Average Cost per feeder and IP Set	Balance works to be completed	Target date of completion	Reasons for delay, if any	Post commissioning analysis of the projects to be conducted as per the guide lines issued for taking up HVDS schemes. The benefits accrued like voltage improvement and reduction of annual energy losses w.r.t to figures indicated in the DPRs shall be furnished

- k) BESCO has indicated a capex of Rs.13 Crores for One-time maintenance of distribution system. BESCO shall furnish the details of the capital investment incurred in this scheme and indicate the breakup of the items which are falling under capex. A division wise list of works against the amount of Rs.13 crores incurred shall be furnished along with benefits accrued by these works.
- l) In respect of T & P and Computers, IT initiative, TIC, BESCO has achieved a capex of Rs.36.94 Crores as against the approved capex of Rs.10 Crores.

BESCOM shall furnish the detailed breakup of the items procured with justifiable reasons and benefits thereon.

m) In respect of 'Other Works' including safety measures fund, Local Planning, Emergency restoration, Technology Innovation Center (TIC) - BESCOM has achieved a capex of Rs.67.43 Crores as against the approved capex of Rs.20 Crores. The BESCOM shall furnish the detailed breakup of each category with proper reasons and the accrued benefits thereon.

n) BESCOM shall furnish the details of the grants and loan received from the State / Central Government and financial institutions, in the following format

Amount in Rs. Crores

Sl No	Type of work	Total Cost of the Project	Cost of works award	Sanctioned source of Funding		Actual amount received/availed		Cost of the completed work	Cost of works which are in progress (WIP)
				Loan	Grants	Loan	Grants		
	1	2	3	4	5	6	7	8	9
1	RAPDRP								
2	DDUGJY								
3	IPDS								
4	NJY								
5	HVDS								
	Any other works								

Cost of Balance works	Scheduled /targeted date of completion	Actual date of completion of work	Delay if any	Whether the grant has been converted to loan due to delay	Amount of loan converted to loan	Interest on the converted grant into loan	Reason for the Delay
10	11	12	13	14	15	16	17

o) From the above observations, it is noted that BESCOM has been incurring capex over and above the approved amounts. This indicates that there is no budgetary control and monitoring to ensure that the amounts spent are well within the allotted funds. **BESCOM shall explain as to why it is not exercising budgetary control over capex to ensure that it is within the Commission approved capex.**

2. Energy Sales for FY16:

i. FY-15 Energy Sales data:

BESCOM has indicated sales of 24436.08 MU in table-1.4 and table 1.6 of the Petition. As per the APR for FY15, the Commission in its Tariff Order dated 30.03.2016, has allowed total sales of 24083 MU for FY15 after disallowing unbilled sales of 353.13 MU. Therefore, BESCOM is directed to adopt the category-wise and total sales for FY15 as approved in the said Tariff Order and accordingly revise the sales data.

ii. Annual Performance Review for FY-16

The Commission in its Tariff Order dated 02.03.2015 had approved total sales to various consumer categories at 25341.90 MU as against the BESCOM proposal of 25787.19 MU. The Actual sales of BESCOM as per the current APR filing [D-2 FORMAT] is 24538.17 MU indicating a shortfall in sales to the extent of 803.73 MU with respect to the approved sales.

The category wise sales approved by Commission and the actuals for FY 16 is indicated in the table below:

(Energy in MU)			
Category	Approved	Actuals	Actuals- Approved
LT-2a*	5824.79	6056.05	231.26
LT-2b	43.07	42.59	-0.48
LT-3	1712.49	1754.07	41.58
LT-4b	3.71	3.44	-0.27
LT-4c	6.11	4.61	-1.50
LT-5	1167.20	1150.39	-16.81
LT-6	474.54	404.68	-69.86
LT-6	449.53	366.26	-83.27
LT-7	167.43	167.52	0.09
HT-1	743.65	672.75	-70.90
HT-2a	5804.90	4593.21	-1211.69
HT-2b	2969.56	2614.90	-354.66
HT-2c	89.68	232.53	142.85
HT-3a & b	18.98	57.11	38.13
HT-4	116.07	96.59	-19.48
HT-5	66.30	74.22	7.92
Sub total	19658.00	18290.92	-1367.08
BJ/KJ	58.64	57.45	-1.19
IP	5625.26	6189.80	564.54
Sub total	5683.90	6247.25	563.35
Grand total	25341.90	24538.17	-803.73

*Including BJ/KJ installations consuming more than 18 units/month

From the above table it is noted that the major categories contributing to the reduction in sales with respect to the approved figures are LT Water Supply (69.86 MU), LT-Street Lighting (83.27 MU), HT Industries (1211.69 MU) and HT Commercial (354.66 MU). On the other hand, major categories contributing to the increase in sales with respect to the approved figures are LT 2(a) (231.26 MU), LT-3(41.58 MU), HT2(c) (142.85 MU), HT3 (38.13 MU) and IP Sets (564.54 MU). In the light of the above, BESCO shall:

- a) Analyze the reasons for reduction in sales to HT categories. In this regard BESCO shall furnish the data of sales to HT2(a) and HT2(b) categories along with the consumption from open access / wheeling for the period 2011-12 to 2014-16 in the following format:

(Energy in MU)

Year	Energy procured from Generators by BESCO	Energy procured under open access / wheeling	Total
2011-12			
2012-13			
2013-14			
2014-15			
2015-16			

- b) Reconcile the actual sales figures for FY16 indicated at page-8 and Table 2.3 with the figures indicated in D-2 format.
- c) Confirm as to whether the category-wise sales indicated in D-2 format is excluding unbilled sales. If unbilled sales are included, category-wise break up of unbilled sales shall be furnished.
- d) Furnish the number of installations shifted from HT2a, HT2b and HT-4 categories to HT-2c category and the corresponding sales figures for FY14, FY15 and FY16, in order to estimate the impact of shifting of these installations

iii. IP sets Sales for FY-16

- a) The Commission notes that, the overall sales have increased by 564.54 MU totaling to 6189.90 MU as against the approved sales of 5625.26 MU as per Tariff Order dated 2nd March, 2015 for FY16. Further, the Commission had approved a specific consumption of IP-sets as 7,795 units / installation / annum. However, as per the consumption reported in format D2 of the filing by the BESCO, the specific consumption works out to 7,846 units / installation/annum for FY16. This indicates an increase of 51 units /

installation/annum in specific consumption. This increase in specific consumption of 51 units / installation/annum has resulted in a substantial increase in sales to an extent of 564.54 MU which needs to be explained by BESCOM. Further, the actual number of installations for FY16 has increased by 80,028 as compared to the approved number of installations of 7,29,150. BESCOM shall furnish the reasons for such a variation in number of installations and also furnish the month wise division wise number of installations serviced during FY16.

- b) The Commission in its Tariff Order dated 2nd March, 2015 had directed the BESCOM to furnish feeder wise IP-set consumption based on feeder energy meter data by deducting the actual energy losses prevailing in 11kV line, distribution transformers and LT line, to the Commission, every month in respect of agriculture feeders segregated under NJY. Therefore, BESCOM is required to justify its claims of IP consumption for FY16 as per the energy recorded on the segregated feeders.

BESCOM shall furnish month wise data in support of its claims of IP-consumption for FY16 duly considering actual losses prevailing in the distribution system, as per the format given in subsequent paras.

3. Power Purchase for FY-16

- a) The quantum and the cost of Power purchase indicated in Table 1.4 on Page 3 for FY15, significantly vary from the source-wise figures considered by the Commission for APR vide its tariff Order dated 30th March 2016. BESCOM is required to furnish the reasons for declaring the revised figures for FY15 in the present filing.
- b) The source wise power purchase for FY16 indicated in the table 1.4 is not agreeing with the data shown in page 12 and Format D1. BESCOM is required to furnish consistent data in each of the tables referred to above.
- c) BESCOM has considered the Energy balancing and inter ESCOMs energy charges as indicated in D1 format. The basis for considering these figures shall be furnished.

- d) The details/ breakup for claiming Prior period income and prior period expenditure as indicated in D1 format shall be furnished.

II. Annual Revenue Requirement and Revision of Tariff for FY18:

1. Capital expenditure of FY18:

- i) BESCO has projected a capital expenditure of Rs.967.30 Crores without deviating from the capex proposed for any of the categories of work proposed for FY18 as per MYT application. But, BESCO, in its MYT application had stated that, the capex of Rs.967.30 for FY18 would be revised in view of possible additions. Despite this, BESCO had requested for additional capex of Rs.3251.48 Crores during FY17. However, BESCO is now reiterating to consider capex of Rs.967.30 Crores for FY18 as approved in the MYT order dated 30th March, 2016. This clearly indicates that, BESCO has not complied with the “**Capital Expenditure Guidelines for ESCOMs**” issued by the Commission. BESCO shall furnish its explanation in the matter.
- ii) It is to be noted here that, the capital expenditure by BESCO is exceeding the approved amount by a huge margin consistently over the past three years. Further, BESCO, through separate letters had approached the Commission in the mid of FY17 for additional capex to be approved. Keeping these facts in view, the BESCO needs to project its capex commensurate with:
- a) The network strengthening and expansion required /requirement,
 - b) Improvement of power supply reliability,
 - c) The target date for completion of each of the project,
 - d) loss reduction trajectory
- iii) Further, BESCO should strictly follow the “**Capital Expenditure Guidelines for ESCOMs**” in which the capital investment planning process and prioritization and post commissioning analysis to be adopted by the ESCOMs is elaborated. BESCO shall state with details as to whether it has carried out the works according to these guidelines issued by the Commission.

iv) The Commission has been directing the ESCOMs to conduct energy audit by listing out high loss making 11kV feeders and take up strengthening works to reduce losses. Prioritization of such projects to be taken up for execution, based on payback period & benefit to cost ratio. BESCO does not seem to have moved in this direction, as it has not submitted the list of high loss making feeders based on the input energy to the feeder and sale of energy in that feeder. BESCO shall furnish the list of 11kV feeders having losses above targeted percentage distribution system losses, in descending order.

v) Further, BESCO shall furnish the details of the works which are being funded through loans and grants from the Govt, GoK and financial institutions, along with the details of sanctioned, utilized and the balance yet to be utilized, in the following format:

Amount in Rs. Crores

Sl No	Type of work	Total Cost of the Project	Cost of works award	Sanctioned source of Funding		Actual amount received/availed		Cost of the completed work	Cost of works which are in progress (WIP)
				Loan	Grants	Loan	Grants		
	1	2	3	4	5	6	7	8	9
1	RAPDRP								
2	DDUGJY								
3	IPDS								
4	NJY								
5	HVDS								
	Any other works								

Cost of Balance works	Scheduled /targeted date of completion	Actual date of completion of work	Delay if any	Whether the grant has been converted to Loan due to delay	Amount of loan converted to loan	Interest on the converted grant into loan	Reason for the Delay
10	11	12	13	14	15	16	17

BESCOM shall furnish the status/stages of progress of implementation of the time bound programs such as **DDUGJY and IPDS taken up by it during FY17**.

BESCOM shall prepare a realistic plan of its capex program based on the load forecast and network expansion plan as per the “**Capital Expenditure Guidelines for ESCOMs**” issued by the Commission, duly prioritizing the works. It is not desirable to approach the Commission in the middle of the year seeking additional/higher capex. Additional capex required shall be met only through re-appropriation of approved amounts.

- vi) BESCOM shall also submit the physical and financial progress as on 31st October, 2016 as against the approved capex for FY17 in the format approved in the Tariff Order for FY17, indicating the capex incurred against each category.
- vii) BESCOM shall furnish the details of high value works proposed for FY18, as to indicate -how many DPRs have been prepared, Tendered /ready to be tendered, cost of each project and what are the time lines within which the works are going to be completed.
- viii) The BESCOM shall furnish the sources of funding such as loans, grants from Central/ State Governments, internal sources, borrowings and equity, to meet the capex for FY18.

2 Energy Sales

i. Category wise sales for FY18:

BESCOM in their filing have stated that the number of installations for FY18 has been estimated by doubling the half year number of consumers for FY17 and considering one year CAGR with following deviations:

- For LT4(a), 20,000 additions in installations is considered for FY18; and
- Wherever the CAGR is negative or exorbitant, FY17 numbers are retained

Further, BESCO has stated that, the sales for FY18 have been estimated considering the following:

1. FY17 sales is estimated considering a certain percentage over first half of the year sales
2. IP set sales is estimated considering specific consumption of 8037/IP/annum
3. BJ/KJ sales for FY17 is not doubled as part of sales is considered under LT2a

The observations of the Commission on sales forecast for FY18 are as follows:

- i) LT(1) – BJ/KJ category:
 - a. BESCO has retained the BJ/KJ sales at the half-year level of 66.35 MU for FY17, in spite of indicating additions in the number of installations during second half of FY17. BESCO shall explain the reasons for the same.
 - b. BESCO shall furnish, the breakup of installations consuming less than or equal 18 units and above 18 units for the 2015-16 and estimates for FY17 to FY18 in the following format:

Particulars	No. of Installations	Consumption in MU
Installations Consuming less than 18 Units		
Installations consuming more than 18 units and billed under LT 2a		

- ii. In case of LT2(b), LT 4(c), HT-2a, HT 2(b), HT3(a) and HT4, the number of installations as on 30.09.2016 compared to 31.03.2016 has reduced [Ref page 71 of the filing]. In this context BESCO shall explain the reasons for such reduction, especially in the case of HT installations. i.e. during the first half of FY17, as to whether some of the installations have been surrendered. BESCO shall furnish the category-wise opening balance of number of installations as on 31.03.2016, installations added during the FY17 as on 30.11.2016 and installations surrendered during FY17as on 30.11.2016.
- iii. Considering one-year growth rate for estimation would not reflect the underlying trend. Therefore, BESCO may reconsider adopting CAGR based

on three to five years' data for estimating the number of installations and sales.

The table indicating the growth rates for the no. of installations is furnished below:

Category	Percentage Growth Rates			
	2010-11 to 2015-16 5 year CAGR	2012-13 to 2015-16 3 year CAGR	FY16 growth over FY15	Growth rate proposed by BESCO
LT-2a	5.46	5.97	6.55	5.07
LT-2b	6.18	6.94	14.67	0.00
LT3	6.30	6.89	9.30	3.92
LT-5	5.31	5.95	8.05	1.49
LT-6 WS	9.00	9.05	5.15	9.90
LT-6 SL	4.62	4.80	5.27	2.09
HT-1	10.42	10.76	7.07	5.31
HT-2 (a)	9.88	11.10	16.29	0.00
HT-2 (b)	9.33	9.30	19.11	0.00
HT-3(a)& (b)	11.20	12.31	17.24	0.00
HT-4	9.10	7.82	25.35	0.00

It is noted that the growth rates considered for all the categories, except LT-6 water supply, is lower when compared to the normal growth rates. For categories where there is positive growth rate, BESCO has considered zero growth. BESCO shall furnish the reasons for the same.

3. The table indicating the growth rates for the energy sales is furnished below:

Category	Percentage Growth Rates			
	2010-11 to 2015-16 CAGR	2012-13 to 2015-16 CAGR	FY16 growth over FY15	Growth rate proposed by BESCO
LT-2a	7.43	6.71	6.34	7.38
LT-2b	8.24	7.33	4.34	2.13
LT-3	8.04	6.00	6.38	6.98
LT-5	3.11	0.77	1.85	2.17
LT-6 WS	-0.11	-4.47	-7.11	-0.45
LT-6 SL	0.52	-3.29	-6.16	-2.11
HT-1	6.88	8.73	2.54	7.02

HT-2 (a)	3.28	-1.35	-0.47	0.17
HT-2 (b)	1.84	-3.49	-4.48	-0.21
HT-3(a)& (b)	99.44	69.73	255.60	7.72
HT-4	-1.84	-7.04	-23.13%	0

In view of the above data, the observations of the Commission are as follows:

- a) The growth rate considered for LT2(b) is lower considering the previous year's growth rate of 4.34% and the CAGR being in the range of 7.33% to 8.24%. BESCOM shall furnish the reasons for the same.
 - b) BESCOM shall analyze and furnish the reasons for negative growth in FY16 for LT-6 WS, LT-6 SL, HT-2a, HT-2b and HT-4 categories.
 - c) The reasons for abnormal growth in FY16 in the case of HT-3 category shall be furnished.
4. To validate the sales, category wise information (No. of Installations and the sales in MU), in the following format shall be furnished:

a. No. of Installations

Category	2014-15 Actuals		2015-16 Actuals		2016-17	
	As on 30 th Nov 2014	As on 31 st March 2015	As on 30 th Nov 2015	As on 31 st March 2016	As on 30 th Nov 2016	As on 31 st March 2017 (Estimate)
LT-2a						
LT-2b						
LT-3						
LT-4 (b)						
LT-4 (c)						
LT-5						
LT-6						
LT-6						
LT-7						
HT-1						
HT-2 (a)						
HT-2 (b)						
HT2C						
HT-3(a)& (b)						
HT-4						
HT-5						
Sub Total (Other than BJ/KJ and IP)						
BJ/KJ						

IP						
Sub Total (BJ/KJ and IP)						
Grand Total						

b. Energy Sales

Category	2014-15 Actuals		2015-16 Actuals		2016-17	
	1 st April 2014 to 30 th Nov 2014 (cumulative)	1 st Dec 2014 to 31 st March 2015 (cumulative)	1 st April 2015 to 30 th Nov 2015 (cumulative)	1 st Dec 2015 to 31 st March 2016 (cumulative)	1 st April 2016 to 30 th Nov 2016 (cumulative actuals)	1 st Dec 2016 to 31 st March 2017 (cumulative Estimate)
LT-2a						
LT-2b						
LT-3						
LT-4 (b)						
LT-4 (c)						
LT-5						
LT-6						
LT-6						
LT-7						
HT-1						
HT-2 (a)						
HT-2 (b)						
HT2C						
HT-3(a)& (b)						
HT-4						
HT-5						
Sub Total (Other than BJ/KJ and IP)						
BJ/KJ						
IP						
Sub Total (BJ/KJ and IP)						
Grand Total						

iii. Sales to IP Sets for FY18:

The Commission in its Tariff Order dated 30th March 2016 had directed the BESCOM to furnish the consumption of IP-sets based on the readings from the energy Meters provided to 11 kV agricultural feeders at the Sub-station level duly allowing for actual losses prevailing in 11 kV line, transformers and LT distribution system. BESCOM was also directed to furnish feeder wise IP-set consumption based on feeder energy meter data, to the Commission, every month in respect of agriculture feeders segregated under NJY. But, BESCOM has not furnished the IP-set consumption as directed. However, BESCOM, in its letter dated 27.9.2016 has submitted the data of IP-set consumption for April-June 2106. But, the IP-consumption computed is not acceptable as the same is arrived at by not considering the formats prescribed by the Commission.

Therefore, BESCOM shall submit the month wise consumption of all the agricultural feeders segregated under NJY Scheme for FY15, FY16 and also for FY 17 (from April to October 2016) in the following format.

Month	Name of Sub-division	No. Segregated Agricultural Feeders in the subdiv	Monthly Consumption in MU as recorded in all the agricultural feeders at the substations pertaining to the division	Distribution loss(11kV line, DTCs,& LT line) Plus sales to other consumers if any, in MU (losses in all the agri feeders only to be considered)	Net consumption duly deducting the Distribution loss (11kV & LT) & any other loads if any	No. of IP sets connected to the agri feeders in the subdivision	Average consumption of IP / month (specific cons in units /IP/month)	Total no of IP sets in the subdivision (as per DCB)	Total sales of IP sets in MU
1	2	3	4	5	6=(4-5)	7	8	9	10=8*9
April 2014	Subdiv-1 Subdiv-2 Subdiv-3 Subdiv								
March 2015	Subdiv-1 Subdiv-2 Subdiv-3 Subdiv								
Total									
April 2015									
March 2016									
Total									

April 2016	Subdiv- 1 Subdiv- 2 Subdiv- 3 Subdiv								
October 2016	Subdiv- 1 Subdiv- 2 Subdiv- 3 Subdiv								
Total									

As per format D2, BESCO has projected specific consumption of IP-sets for FY18 as 8,133 units/installation /annum respectively, whereas the approved specific consumption for FY18 in the Tariff Order dated 30th March 2016 was 8,037 units/installation /annum and the actual specific consumption reported by BESCO for FY16 is 7,846 units/installation /annum. **Therefore, BESCO is required to furnish rationale for projecting IP consumption based on the higher specific consumption as mentioned above for FY18.**

Further, BESCO was directed to take up enumeration of IP-sets to identify defunct/dried up wells in the field and complete it by October, 2016 and take further necessary action to arrive at correct number of IP-sets in its jurisdiction on the basis of enumeration report. BESCO has not complied with this direction. BESCO shall furnish compliance on this issue in order to arrive at the correct number of IP installations/consumption and for projecting correct number of installations/consumption for FY18 also. **In the absence of submission of GPS based survey report of actual number of live IP sets, the Commission will not consider the revised IP consumption for FY18 as proposed by BESCO.**

3. RPO Compliance:

1. BESCO has furnished the details of RPO compliance of solar and non-solar RPO for 2015-16 at Table-2.10 on page 13 of the Petition. It is noted that the RE purchased indicated at table-2.7 is 4048.84 MU, whereas the same is indicated as 3891.63 MU in table 2.10. BESCO shall reconcile the figures and

confirm the correct figures. For validating the RPO compliance and for working out APPC, BESCOM shall furnish the data as per the format indicated below, duly reconciling the data with audited accounts:

a. Non-solar RPO:

No.	Particulars	Quantum in MU	Cost- Rs. Crs.
1	Total Power Purchase quantum from all sources		
2	Non-solar Renewable energy purchased under PPA route at Generic tariff including Non-solar RE purchased from KPCL		
3	Non-solar Short-Term purchase from RE sources, excluding sec-11 purchase		
4	Non-solar Short-Term purchase from RE sources under sec-11		
5	Non-solar RE purchased at APPC		
6	Non-solar RE pertaining to green energy sold to consumers under green tariff		
7	Non-solar RE purchased from other ESCOMs		
8	Non-solar RE sold to other ESCOMs		
9	Non-solar RE purchased from any other source like banked energy purchased at 85% of Generic tariff		
10	Total Non-Solar RE Energy Purchased [No 2+ No.3+No.4+No.5 +No.7+No.9]		
11	Non-Solar RE accounted for the purpose of RPO [No.10- No.5-No.6-No.8]		
12	Non-solar RPO complied in % [No11/No1]*100		

b. Solar RPO:

No.	Particulars	Quantum in MU	Cost- Rs. Crs.
1	Total Power Purchase quantum from all sources		
2	Solar energy purchased under PPA route at Generic tariff including solar energy purchased from KPCL		
3	Solar energy purchased under Short-Term, excluding sec-11 purchase		
4	Solar Short-Term purchase from RE under sec-11		
5	Solar energy purchased under APPC		
6	Solar energy pertaining to green energy sold to consumers under green tariff		
7	Solar energy purchased from other ESCOMs		
8	Solar energy sold to other ESCOMs		
9	Solar energy purchased from NTPC (or others) as bundled power		
10	Solar energy purchased from any other source like banked energy purchased at 85% of Generic tariff		
11	Total Solar Energy Purchased [No2+ No.3+No.4+No.5+No.7+No.9+No.10]		
12	Solar energy accounted for the purpose of RPO [No.11- No.5-No.6-No.8]		
13	Solar RPO complied in % [No12/No.1]*100		

2. BESCOM shall furnish the estimates for complying with solar and non-solar RPO for 2017-18, including any cost implication for purchasing RECs, if any. In this regard BESCOM shall furnish the following details pertaining to BESCOM, duly tallying with the renewable energy purchase estimates made for FY18:

Source	Capacity under PPA in MW as on 30.11.2016	Anticipated MW capacity addition under PPA during the remaining period of FY17	Anticipated capacity addition under PPA during FY18
Wind			
Mini-hydel			
Co-generation			
Biomass			
Waste to Energy			
Solar			

Further, the contribution of Solar Power shall be computed duly considering the present status of the Solar projects for which BESCO has entered into PPAs. The data in the following format shall be furnished:

Type of Solar Plant	Capacity in MWp	Estimated Energy and cost for FY17		Estimated Energy and cost for FY18	
		Qty (MU)	Cost(Rs Crs)	Qty(MU)	Cost(Rs.Crs)
Solar Rooftop plants of < 500KW					
Solar Rooftop plants of >500KW					
1-3 MW Projects allotted to Farmers by KREDL.					
20 MW Projects Taluk wise issued by KREDL.					
Other MW scale projects					

4. **Banking:**

At page 121 of the petition, BESCO has prayed for the following on Open Access Transactions:

- The banking facility shall be allowed for a period of 3-months from the date of generation
- Withdrawal of banked power should not be allowed during peak and ToD hours

- c. If banked energy is not utilized within the period of three months from the date of power banked, it shall automatically lapse and no charges shall be paid.
- d. Additional surcharge on OA consumers who draw power from utility even after opting for OA.

In support of the above prayer, BESCO shall justify in terms of detailed financial impact analysis the impact banking and levy of additional surcharge.

5. Cross subsidy surcharge (CSS):

At page 144, BESCO has worked out the CSS. BESCO shall clarify as to whether the above CSS is computed as per the Tariff Policy-2006 or Tariff Policy-2016.

6. Wheeling Charges:

BESCO has worked out the wheeling charges in its petition and has stated that the same is applicable to all open access/wheeling transactions except for energy wheeled from NCE sources to the Consumers in the State. However, BESCO has not indicated in its petition that for NCE sources the prevailing charges would continue. Therefore, the same shall be included in the Petition. Further, BESCO shall specifically pray for approval of wheeling charges and cross-subsidy surcharge.

7. Distribution Losses for FY18:

The actual distribution losses reported by BESCO for FY16 is 12.03% as against 13.40% approved by the Commission in its Order dated 2nd March, 2015. Considering the actual losses of 13.53% reported by BESCO for FY15, the reduction in distribution losses is 1.50% in FY16. As discussed in the observations on sales to IP Set categories, the Commission notes that while there is increase in IP Set consumption, there is a decrease in metered category sales. Since the IP Set sales is not backed by the consumption figures based on separated feeder wise data under NJY, the Commission is

unable to accept the distribution loss figures claimed by BESCO. Hence, BESCO shall furnish the feeder wise number of IP sets along with consumption figures based on separated feeders besides Division wise data of numbers and consumption of IP sets as per DCB along with connected load.

The Commission, in its Order dated 30th March, 2016 has fixed distribution losses at 13.00% for FY17. BESCO, having reported distribution losses of 12.03% for FY16, is required to furnish its present status of distribution loss achieved in FY17 as at the end of November, 2016.

Further, the Commission, in its Order dated 30th March, 2016 has fixed distribution losses at 12.75% for FY18 after considering the actual distribution losses of 13.53% reported by BESCO for FY15. Now, that the distribution losses in FY16 are reported at 12.03%, there is no justification in BESCO proposing higher distribution losses of 12.75% for FY18.

Considering the substantial capital investment incurred in the recent past and distribution loss levels achieved in FY16, BESCO is required to reassess the distribution losses for FY18.

Further, BESCO shall furnish the data of Energy Audit for Town and Cities in the following format:

Name of the Town/City	FY16			FY17 (Cumulative as at the end of Nov, 2016)		
	Energy Input in MU	Energy Sold in MU	% Distribution Losses	Energy Input in MU	Energy Sold in MU	% Distribution Losses
TOTAL						

8. Power Purchases for FY18:

1. The quantum and cost of source wise energy for FY17 in Format D1 shall be furnished duly considering the actual data up to November, 2016 and projected data for the remaining period of FY17.
2. The Copy of the letter dated 14th November, 2016 of KPCL cited for projecting KPCL Hydel and Thermal Energy shall be furnished.
3. BESCOM shall furnish the basis for projecting the energy procurement for FY18. Further, BTPS Unit III has not been considered for power purchase in FY18. Also, the new Yeramarus Thermal Power Station is scheduled to be commissioned in FY18. Hence, BESCOM is required to furnish reasons for not considering BTPS Unit III, YTPS and Kudgi Unit-1 & 2 of CGS, in its power purchase computations for FY18 under Format-D1.
4. The computation sheets for considering the variable charges of the Central Generating Stations shall be furnished.
5. In the case of Renewable Energy Sources, BESCOM has reported that it has considered actual generation data of FY16 for projecting the power purchase for FY18. BESCOM is required to consider the latest actual available data of FY17 and anticipated addition for projecting the RE power purchase for FY18.

9. Observations on Expenses & Revenue:

- i. Format D1 for FY17 is to be furnished with data of actual energy and cost up to November, 2016 and projections thereon for the balance period.
- ii. In Format D6 (a), the same number for employees sanctioned and working for FY16, FY17 & FY18 is indicated. This indicates that no additional employees based on new recruitment and retirement of Employees based on superannuation have been considered. However, in page No. 74, BESCOM has sought approval of additional employee cost of Rs. 35 Crores on account of recruitment of employees for FY18. BESCOM shall indicate the details of

cadre wise employee strength duly considering the retirement and proposed recruitment along with cost for the period FY16 to FY18.

- iii. BESCOM in its application for ARR for FY18, under format A1 has indicated an amount of Rs.729.37 Crores as P&G Trust.

The Commission notes that, the above issue has already been decided in its Tariff Order dated 30th March,2016 wherein, it is decided that, as per the GOs dated 31.05.2002 and 19.12.2002, GoK is liable to meet the P&G requirement of existing pensioners and such liability cannot be passed on to the consumers. However, it is now reported by BESCOM that, as per the present directions of the Government of Karnataka, it has included an amount of Rs.599.29 Crores towards arrears of P&G Trust up to FY16 and an amount of Rs.130.08 has been claimed for FY17 in the ARR for FY18.

BESCOM shall furnish the reasons /justifications along with Government Orders, if any, for inclusion of this amount and claiming the same as an item of expenditure in ARR of FY18 to be recovered from consumers in contravention to the Commission's decision in Tariff Order 2016. Further, inclusion of this amount will have substantial tariff implications which cannot be passed to the consumers.

- iv. Details of subsidy claim submitted to GoK and subsidy received for the year FY16 in respect of IP and BJ/KJ installations needs to be furnished along with the details of energy sales. Whether BESCOM has received subsidy pertaining to past periods during FY16 and if so, the details of the amount received may be furnished separately.
- v. Details of the bank / Financial Institution wise long term and short term loans inclusive of over draft availed during FY17 (upto November, 2016) along with rate of interest and amount of interest, term of loan and the purpose of loan availed shall be furnished.
- vi. The Commission in its Tariff Order dated 2nd March, 2015 had directed BESCOM to furnish detailed plan of action for utilisation of funds towards consumer relation / education and to maintain separate accounts of these

funds and furnish the same at the time of APR. BESCO under D7 format has reported that, it has spent an amount of Rs.3.83 Crores towards consumer relation / education. BESCO is required to furnish the break-up of expenditure incurred under a separate head of account towards consumer relation / education during FY16.

vii. BESCO shall furnish the details in respect of the following items indicated under A&G expenses for FY16:

- i) Remuneration to contract agencies - Rs.118.37 Crores
- ii) Conveyance & Travel expenses - Rs.43.66Crores
- iii) Legal, Professional and consultancy charges- Rs.3.28 Crores

viii. In form D17, the expenditure capitalised for FY18 is Rs.785.03 Crores with total capital expenditure of Rs.2126.99 Crores inclusive of opening work in progress of Rs.1018.99 Crores. Hence, the amount of expenditure proposed to be capitalised for FY18 is only 37%. BESCO is required to furnish the reasons for indicating such low capitalisation besides considering revision of the same.

ix. In the case of LT4 (a)(i) – IP Sets upto 10 HP, the average sanctioned load is considered as 9.5 HP per installation. The reason for considering uniform load of 9.5 HP for all IP sets shall be explained along with furnishing Division wise breakup of IP sets number, connected load and estimated consumption.

x. The category wise connected loads indicated in Form D21 shall be justified with duly certified Distribution Circle wise data.

xi. The category wise slab wise consumption indicated in Form D21 shall be justified with Division wise details of computation.

xii. The breakup of number of consumers indicated in Form D21 based on sanctioned load under LT2, LT3 and LT5 categories shall be justified with Division wise details.

xiii. BESCO, under Format D6 has projected an amount of Rs.179.44 Crores as expenditure towards terminal benefits for FY18. BESCO is required to furnish the basis and computations for claiming this amount along with relevant actuarial valuation report.

- xiv. BESCO, under Format D8 has considered an amount of Rs.128.96 Crores as depreciation on assets created out of consumer contribution/grants for FY16 and has projected Rs.144.50 Crores for FY18. BESCO is required to furnish the computations for claiming this amount.
- xv. BESCO has reported that an additional equity of Rs.97.02 Crores is received during FY16. BESCO shall furnish the date of receipt of this additional equity along with the copy of the relevant Government Order.

10. New Proposals:

i) Proposal to increase fixed Charges for HT Consumers:

BESCO has proposed to increase the demand charges by Rs.250 / Rs.300 for all HT consumers with reduction in energy charges ranging from 10paise per unit to 55 paise per unit. However, BESCO under D21(b), has not proposed any increase in demand charges but has proposed an uniform increase of Rs.1.48 per unit for all HT Consumers.

Considering the new proposal, in order to assess the financial implications and impact on each category of HT consumers besides its effect on the cross subsidy, considering this proposed increase in fixed cost, BESCO shall furnish revised D21(a) and (b) format indicating revised demand charges and energy charges required to meet the proposed gap in revenue for FY17. Also, BESCO shall furnish the Division wise actual data of demand/fixed charges and energy charges demanded from LT and HT Consumers during FY16 and FY17 (Upto October,2016).

ii) Inclusion of Morning peak hours under ToD tariff:

BESCO has proposed ToD for morning peak hours of power supply from 6.00AM to 10.00 AM. BESCO is required to furnish the details of monthly Minimum and Maximum load recorded during January, 2016 to November, 2016 for the proposed morning/evening peak periods and off-peak periods. Also, for the same period, BESCO shall furnish the amount of penalty levied and incentives given under the existing ToD scheme.

11. Observations on Directives:

Sl. No.	Directives issued by the Commission	Observation made
1	Directive on Energy Conservation	<p>The BESCOM was directed to service all the new installations only after ensuring that the BEE ***** (Bureau of Energy Efficiency five-star rating) rated Air Conditioners, Fans, Refrigerators, etc., are being installed in the applicant consumers' premises and to service all streetlight installations with LED/energy efficient lamps.</p> <p>The BESCOM has not submitted compliance on the above directive.</p> <p>BESCOM has also not submitted compliance regarding the programme undertaken by it to educate all the existing domestic, commercial and industrial consumers, through media / distribution of pamphlets along with monthly bills, regarding the benefits of using five star rated equipment in reduction of their monthly electricity bills and conservation of energy.</p> <p>The BESCOM shall submit the compliance thereon.</p>
2.	Directive on implementation of Standards of Performance (SoP)	<p>The BESCOM was directed to display the SoP parameters in all its O&M subdivisions and O&M Sections and submit the quarterly progress. But BESCOM has not submitted the compliance. BESCOM shall submit the compliance regularly.</p>
3.	Directive on use of safety gear by linemen:	<p>BESCOM has not submitted the quarterly compliance report to the Commission regularly. The Commission had directed BESCOM to take action to sensitize all the linemen about the need for adoption of safety aspects in their work through suitably designed training and awareness programmes and devising suitable reporting system on the use of safety gear and also mandate supervisory/higher officers to regularly cross check the compliance by linemen.</p> <p>BESCOM is required to submit the compliance on the above.</p> <p>The BESCOM shall also submit the definite timeline by which all the linemen are provided with the complete set of safety gear.</p>
4	Directive on providing Timer Switches to Street lights by ESCOMs	<p>BESCOM is yet to submit the quarterly compliance report in respect of installation of timer switches, to the Commission. BESCOM shall furnish the reasons as to why around 3300 no. of timer switches have not been rectified /replaced for the last one year. The same reply as furnished now was furnished by BESCOM during last year also.</p> <p>BESCOM has not submitted the compliance on the directive that BESCOM shall initially provide the timer switches and later collect the cost from the local bodies. The status on this issue shall be furnished.</p> <p>BESCOM has also not submitted the compliance as to whether LED /energy efficient lamps are being used while servicing streetlight installations.</p> <p>BESCOM shall submit the compliance on the same.</p>
5	Directive on Load shedding	<p>BESCOMs is not submitting to KERC, its projections of availability and demand for power and any unavoidable load shedding for every succeeding month in the last week of the preceding month for approval regularly. BESCOM shall submit compliance on the same.</p> <p>Also, BESCOM shall submit the reasons for delay in initiating a system of informing the consumers/public through SMS in case of load shedding due to any reasons. BESCOM had earlier replied that the same is under process". BESCOM shall furnish the current status.</p>

6	Directive on establishing a 24X 7 fully equipped centralized consumer service centers	BESCOM shall furnish as to how many numbers of consumer interaction meetings have been held at the subdivision levels chaired by the SEEs to redress the consumer complaints during the period April – November, 2016 and the response of consumer participation in such meetings. Zone-wise, details of it shall be submitted.
7	ENERGY AUDIT	<p><u>Energy Audit of cities / towns</u></p> <p>BESCOM has not furnished the details of feeder wise energy audit for the period from April 2016 to October 2016. BESCOM shall furnish the same up to October 2016 as per the formats Annex-A & B prescribed by the Commission vide letter No. KERC/D/137/14/91 dated 20.04.2105 along with the details of measures initiated to reduce loss levels wherever the same are above 15%.</p> <p>Also, BESCOM shall furnish the comparative statement of losses recorded in Towns & Cities for FY16 as against FY15.</p> <p><u>DTCs Energy Audit:</u></p> <p>BESCOM was directed to furnish the details of energy audit conducted in respect of DTCs for which meters have been fixed & remedial measures initiated to reduce losses in those DTCs every month to the Commission regularly. However, BESCOM has not submitted the details of energy audit conducted in respect of 1,10,965 DTCs for which meters have been fixed. BESCOM shall submit the same and the timeline by which all the remaining 25000 -30000 DTCs (as reported by it as unmetered) will be metered.</p>
8	Implementation of HVDS	<p>BESCOM was directed to obtain prior approval of the Commission for the DPRs on implementation of HVDS in Kanakapura Division and Huliurdurga Section. But, BESCOM has not furnished its replies on the observations made by the Commission vide letter No. KERC/D/75/15-16/234 dated 13.5.2015 and 16.03.2016. However, BESCOM in its letter No. BESCOM/MD/PS/2016-17/69 dated 10.8.2016 had submitted that it would submit the same at the earliest but so far it has not complied with the same. BESCOM shall furnish the DPRs along with the replies to the above said letter of the Commission.</p> <p>BESCOM has not submitted analysis report indicating the benefits accrued to the system after implementation of the HVDS in Tumakuru division. BESCOM shall submit the same.</p> <p>Also, the Commission in its letter No. KERC/D/75/15-16/1583 dated 20.09.2016 has approved implementation of HVDS in Ramanagar O& M Circle. BESCOM shall furnish the latest status of this project with a detailed action plan along with timeline for completion of targeted work.</p>
9	Implementation of NJY	BESCOM has reported that Consultants M/s MECON have been entrusted with the concurrent analysis of feeders commissioned under phase-2 works. BESCOM is required to furnish the Analysis report of the same to the Commission.
10	DSM in Agriculture	<p>In the Commission's letter No. KERC/D/07/2016-17/1822 dated 19.10.2016, BESCOM was directed to submit a revised DPR for Surya Raiitha program in Kanakapura subdivision incorporating the revised cost estimates as per work award, revised annual financial implications etc. BESCOM shall furnish the compliance on the same.</p> <p>Also, BESCOM shall submit the analysis report indicating the benefits to the system in respect of completed 69 pump sets under this scheme .</p>

11	Electrification of un-electrified Households	<p>BESCOM has not indicated the total number of identified un-electrified households, in its jurisdiction (in respect of all the scheme), number of households taken up for electrification and the time line for completion of such works. BESCOM shall furnish the details clearly. The cumulative figures up to October 2016, under RGGVY XII are shown as 76892 as against 99671 identified households electrified, as per the survey by BESCOM. BESCOM shall clarify the difference in no.s. Also the target date of electrification of the remaining 22779 households, shall be indicated.</p> <p>Further, BESCOM shall submit the action plan to electrify the additional 119650 number of households under DDUGJY and the realistic timeline to complete the electrification works.</p>
12	Subdivision as Strategic Business Units (SBU)	<p>BESCOM has not submitted the compliance in respect of implementation of Financial Management Framework, on quarterly basis to the Commission. In the details furnished for FY16, it is observed that there is huge variation in the figures under column Profit/Loss in respect of many O&M divisions which needs to be verified. BESCOM shall submit the compliance on the same.</p>
13	Prevention of Electrical Accidents	<p>BESCOM has not submitted the Division-wise action plan to minimize accidents. It has also not submitted the details of number of hazardous installations rectified and improvements made to the distribution system.</p> <p>BESCOM is required to furnish the details of number of hazardous locations/installations identified in its distribution network and the number of such installations rectified in FY 16 and in FY17 up to November 2016, besides giving an action plan to rectify them.</p>
