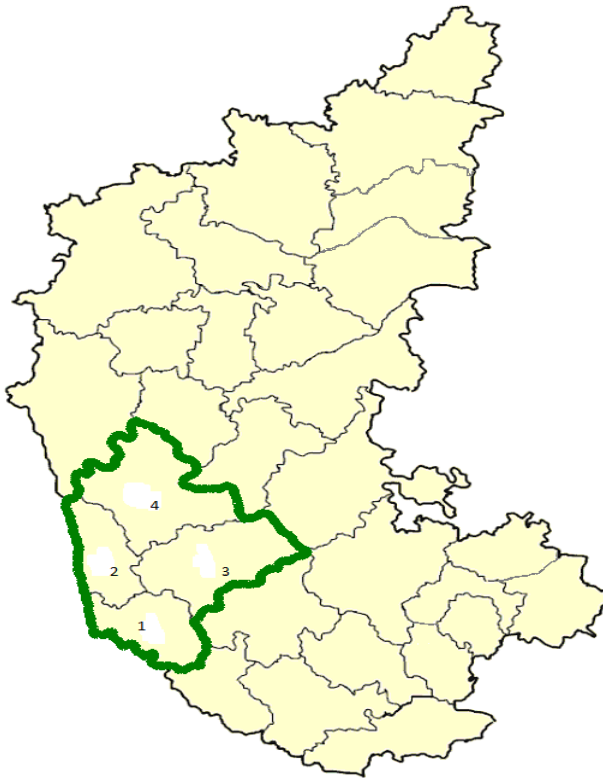


CHAPTER – 1

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 30th April, 2002. The MESCOM commenced its operations on 1st June, 2002 covering initially a large 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 are 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 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		Figures
1	Area	Sq. Km.	26222
2	Districts	No.s	4
3	Taluks	No.s	22
4	Population	Lakhs	61.55
5	KPTCL Sub-stations (66kV & above)	No.s	84
6	MESCOM Sub-stations (33 kV)	No.s	38
7	Consumers	Lakhs	22.22
8	Distribution Transformer Centers	No.s	61495
9	Assets (Net Fixed Assets As on (31-03-2017)	Rs. in Cr.	1140.52
10	HT lines (As on 30-09-2017)	Ckt. Km	34104
11	LT lines (As on 30-09-2017)	Ckt. Km	78920
12	Total employee strength:		
A	Sanctioned (As on 30-09-2017)	Nos.	8876
B	Working (As on 30-09-2017)	Nos.	5330
13	Rev. Demand in (FY17)	Rs. in Cr.	2895.40
14	Rev. Collection in (FY 17)	Rs. in Cr.	2889.63
15	Energy Sales in FY 17	MU	4794.42

1.2 Number of Consumers, Sales in MU to various categories of consumers and details of Revenue for FY17 as filed by MESCOM are as follows:

Category	No. of Installations	Sales in MU	Revenue in Rs.Crs.
Domestic	1649219	1365.84	680.54
Commercial	198294	497.20	453.82
Industrial	29577	703.33	537.01
Agriculture	294073	1808.50	784.85
Others	48877	419.55	439.18
Total	2220040	4794.42	2895.40

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 and retail supply tariff for its distribution and supply area for FY19.

The MESCOM has filed its application for approval of Annual Performance Review for FY17, Revision of Annual Revenue Requirement (ARR) for FY19 and Revision of Revision of Retail Supply Tariff for FY19.

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.