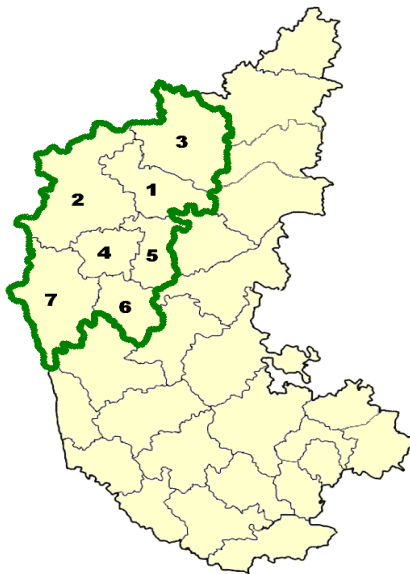


CHAPTER – 1

INTRODUCTION

1.0 Hubli Electricity Supply Company Limited (HESCOM):

Hubli Electricity Supply Company Ltd., (HESCOM) is a Distribution Licensee under the provisions of Section 14 of the Electricity Act, 2003 (hereinafter referred to as the Act). HESCOM is responsible for purchase of power, distribution and retail supply of electricity to its consumers and also providing infrastructure for Open Access, Wheeling of energy in its area of operation in the seven Districts of the State as indicated below:



1. Bagalkote
2. Belagavi
3. Vijayapura
4. Dharwad
5. Gadag
6. Haveri
7. Uttara Kannada

The HESCOM is a company registered under the Companies Act, 1956, incorporated on 30th April, 2002. The HESCOM commenced its operations on 1st June, 2002.

O&M Zones	O&M Circles	O&M Divisions
Hubli Zone (Dharwad District)	Hubli Circle (Dharwad District)	Hubli Urban
		Hubli Rural
		Dharwad Urban
		Dharwad Rural
		Gadag
		Ron
	Haveri Circle	Haveri
		Ranebennur
	Sirsi Circle (Uttara Kannada)	Sirsi
		Honnavaara
		Dandeli
		Karwar
	Belagavi Zone	Belagavi Circle
Belagavi Rural		
Bailahongal		
Ghataprabha		
Ramadurga		
Chikkodi Circle		Chikkodi
		Athani
		Raibagh
Vijayapura Circle		Vijayapura
		Indi
		Basavana Bagewadi
Bagalkote Circle		Bagalkote
		Jamakandi
		Mudhol

There are 26 O&M Divisions in HESCOM and these O & M divisions are further divided into 85 sub-divisions. These sub-divisions are further divided into 291 O & M section offices.

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

1.1 HESCOM at a glance:

The profile of the HESCOM is as indicated below:

Sl. No.	Particulars		Statistics As on 30.09.2022
1.	Area	Sq. km.	54513
2.	Districts	Nos.	7
3.	Taluks	Nos.	69
4.	Population	Crores	1.66
5.	Consumers as per actuals (D2 format)	Lakhs	57,67,174
6.	Energy Sales for FY22	MU	12348.77
7.	Zone	Nos.	2
8.	DTCs	Nos.	255814
9.	Gross Fixed Assets (Rs. Crores)	Rs. in Crores	3,852.13
10.	HT lines	Ckt. kms	95435.13
11.	LT lines	Ckt. kms	1,44,515.05
12.	Total employees strength: (As on 30.09.2022)		
A	Sanctioned	Nos.	16920
B	Working	Nos.	9702
C	Vacant	Nos.	7218

1.2 The Number of Consumers, Sales in MU and Revenue details of HESCOM as on 31.03.2022 are as follows:

CATEGORY	No. of Installations	Sales in MU	Revenue in Rs.Crores
Domestic including BJ/KJ	3828983	1889.05	1337.83
LT Commercial	436098	508.45	549.18
LT Industrial	132760	332.11	306.44
Agriculture	995372	6603.46	4585.92
HT	4186	1869.66	1498.91
LT- Public lighting and Water supply	81341	505.69	373.24
Others	185238	53.56	10.17
Total	5663978	11761.98	8661.69

The Hukeri Rural Electric Co-operative Society Limited, Hukeri (HRECS) is one of the distribution licensees purchasing power from HESCOM on payment of the bulk supply tariff determined by the Commission. HRECS has filed separate application for approval of APR for FY22, Revised ARR and revision of retail supply tariff for its distribution and supply area for FY24.

HESCOM has filed its application for Annual Performance Review for FY22, Revision of Annual Revenue Requirement (ARR) and Revision of Retail Supply Tariff for FY24. HESCOM's tariff application, objections / views of stakeholders thereon and the Commission's decisions on the approval of Annual Performance Review for FY22, and Revision of ARR for FY24 and Revision of Retail Supply Tariff for FY24 are discussed in detail, in the subsequent Chapters of this Order.