



भारत सरकार  
Government of India  
केंद्रीय बिधुत प्राधिकरण  
Central Electricity Authority  
पावर फार आल प्रबोधन प्रभाग  
Power For All Monitoring Division  
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(आई एस ओ 9001-2008)

No. 06/06/CEA/PFAM(Award Scheme)/2016

Dated 30.05.2016

To  
CMDs of Distribution Licensees  
**बिषय: वर्ष 2015-16 के लिये वितरण कम्पनियो और ग्रामीण वितरण फ्रेंचाइजी के लिये व्यापक पुरस्कार योजना**  
**Subject: Comprehensive Award Scheme(s) for the Distribution Companies and Rural Distribution Franchisees (RDFs) for the year 2015-16**

Sir,

As you are aware that Ministry of Power has instituted Comprehensive Award Scheme for Power Sector for meritorious performance in Generation, Transmission and Distribution Sectors. The Award Scheme for consideration year i.e 2015-16 for Distribution Companies and Rural Distribution Franchisees(RDFs) containing the eligibility criteria and formats for submission of data in this regard are available on the website of CEA ([www.cea.nic.in](http://www.cea.nic.in)).

All the prospective distribution companies and franchisees who are willing to participate are requested to furnish all required data as per the formats given at annexure-II of the Award Scheme for the best performing distribution companies (scheme code-rf-1) and that for the best performing RDFs (scheme code-rf-2) to this office latest by 31<sup>st</sup> August,2016. It is further requested that soft copy of these duly filled format in MS-Excel worksheet may also be submitted by e-mail to [award201415@gmail.com](mailto:award201415@gmail.com)

It may also be noted that the concerned distribution licensee will have to identify three best performing RDFs in his area as per format at Annexure-III. For this purpose, the distribution licensee will have to seek information from all the RDFs in his area (as per Annexure-II).

It is also desirable that a one-page note covering profile and best practices adopted by the distribution licensee or the RDFs, as the case may be, along with relevant photographs and documents, if any, may also be submitted. You may also kindly nominate a Nodal Officer for all future correspondence in the matter whose name, designation, contact phone numbers, fax numbers and e-mail id may also be conveyed along with proposal.

Yours faithfully,

Encl: as above

(एम. एम धकाते)  
निदेशक

**Performance Award Scheme for Distribution Companies for the consideration year 2015-16**

**1.0 Preamble**

This scheme has been formulated in which the awards will be given to the **three best performing Distribution Companies** in the country on the basis of predefined specific criteria.

**2.0 Objective**

The Electricity distribution sector has been identified as a key area for the improvement of economy of the country. This Award scheme is intended to promote, encourage and recognize the efforts of the distribution companies to improve the efficiency of electricity distribution system in their area of supply.

**3.0. Nature of Award**

Three best performing distribution companies in the country will be awarded with shields (Gold, Silver and Bronze respectively) in recognition of their performance improvement.

The performance of Distribution Companies would be judged separately on the basis of the evaluation criteria laid down in **Annexure-I**. These parameters would be reviewed based on the progress made by the distribution company in respect of improvement of their electricity distribution system. The parameters given here would be valid till the same are modified by Central Electricity Authority (CEA).

**4.0 Eligibility**

- i) All the distribution companies having valid electricity distribution license by the Appropriate Electricity Regulatory Commission (ERC) engaged in the business of electricity distribution for consumers, are eligible for award. However, those Electricity Departments who have not carried out un-bundling as per Electricity Act 2003 shall not be eligible.
- ii) Distribution Companies having AT&C losses 25% or less shall only be eligible for the award.

**5.0 Evaluation Criteria**

5.1 The evaluation criteria shall be based on the following parameters:

<b><u>Parameter</u></b>	<b><u>Maximum Marks</u></b>
* AT&C loss reduction	35
* Financial turn around	20
* Metering of consumers	15
* Reliability of supply	18
* Demand Side Management (DSM)	12
<b>Total marks</b>	<b>100</b>

The total marks awarded in the above manner will be given weightage depending upon the number of consumers served by the Distribution Company and percentage (%) electricity sales at LT (230/415 V) level out of the total sales of the Distribution Company. Maximum weightage would be

given to the Distribution Company whose consumer base is maximum and whose % electricity sales at LT level (230/415 V) are maximum. A multiplying factor in the range of 0.7 to 1.0 shall be given on pro-rata basis depending upon the number of consumers and % LT sales of the Discom. The multiplying factor will be calculated as under:

**Multiplying factor=**

$$0.7 + 0.15 \times \left( \frac{\text{No.of consumers of the DISCOM} - \text{Minimum No.of consumers in the range}}{\text{Maximum No.of consumers in the range} - \text{Minimum No.of consumers in the range}} \right) +$$

$$0.15 \times \left( \frac{\% \text{ LT sales of the DISCOM} - \text{Minimum \% LT sales in the range}}{\text{Maximum \% LT sales in the range} - \text{Minimum \% LT sales in the range}} \right)$$

**Total marks awarded= Marks awarded(out of 100 on the basis of above parameters) x Multiplying factor**

- 5.2 In case partial data is received from any distribution company no marks shall be assigned to the parameter for which full data is not received.
- 5.3 These parameters have been further sub-divided into various factors as detailed in **Annexure-I**. The evaluation shall be made on the basis of the criteria given in **Annexure-I**.

#### **6.0 Data Requirement**

The distribution companies shall submit the data in the prescribed Performa as per **Annexure-II** to CEA by the specified date.

#### **7.0 Time Schedule for Submission of Data**

The year for which award is being considered shall be referred as the consideration year. Last date for submission of data for award for the consideration year 2015-16 is 31<sup>st</sup> August,2016 unless extended.

#### **8.0 Nodal Division**

All correspondence pertaining to the scheme shall be made in electronic form as well as in hard copy form to:

Chief Engineer (PFAM)  
Central Electricity Authority  
Room No. 629, 6<sup>th</sup> Floor (North Wing), Sewa Bhawan, R.K. Puram-I  
New Delhi-110066  
Tele Fax 011-26715396

Email [award201415@gmail.com](mailto:award201415@gmail.com)

## Evaluation Criteria for Award Scheme for Best Performing Distribution Companies

### Qualifying Bench Mark for the Award:-

Only those distribution companies who have 25% (here in after termed as Maximum limit of AT&C losses) or less AT&C losses in the year 2015-16 shall qualify for the scheme.

Parameters for evaluation shall be as below:

#### 1.0 AT&C Losses: Maximum marks =35

The marks shall be based on:

- i) Percentage value of AT&C Losses
- ii) Percentage reduction in AT&C losses compared to previous year (i.e. in 2015-16 as compared to 2014-15).

#### 1.1 Percentage AT&C Loss (in the consideration year 2015-16) Maximum marks = 25

Based on the eligible proposals received, their percentage AT&C losses would be listed. The utilities would be awarded marks based on the following formula:

Marks awarded = Max Marks x (Max Limit of % AT&C Loss – Utility's % AT&C Loss) / (Max Limit of % AT&C Loss – Minimum achievable value of % AT&C loss)

**Note:** Minimum achievable value of AT&C losses for the consideration year has been kept as 7.0%

Utility with % AT&C loss equal to or less than the minimum achievable value of AT&C loss i.e. 7.0% would be awarded a maximum of 25 marks. Rest of the utilities would be awarded marks based on the above formula. Example is as under:

Utility	AT&C loss (%)
A	16
B	20
C	07
D	06

Utility	Marks
A	= $25 \times (25-16)/(25-7)=12.5$
B	= $25 \times (25-20)/(25-7)= 6.94$
C	= $25 \times (25 -7)/(25-7) = 25$
D	= $25 \times (25-6)/(25-7)= 26.38$ (Since maximum Marks are 25, marks awarded=25)

**1.2 PERCENTAGE AT&C LOSS REDUCTION IN CONSIDERATION YEAR AS COMPARED TO PREVIOUS YEAR** **Maximum marks= 10**

Based on the eligible proposals received, their percentage AT&C losses would be listed. Utilities would be awarded marks on the basis of the following criteria

- a) Utility with negative percentage point reduction in AT&C losses would get 0 marks.
- b) Other utilities would be awarded marks on the basis of the following formula:  

$$\text{Marks awarded} = 10 \times (\text{utility's percentage reduction in AT\&C losses}) / (\text{maximum percentage reduction in AT\&C losses in the range})$$

Utility with maximum percentage reduction would get a maximum of 10 marks. Example is as under:

Utility	AT&C loss (%) in 2014-15 (X <sub>1</sub> )	AT&C loss (%) in 2015-16 (X <sub>2</sub> )	Percentage reduction in AT&C loss (%) (X <sub>1</sub> -X <sub>2</sub> )*100/X <sub>1</sub>	Marks awarded
A	16	15	6.25	1.88
B	15	10	33.33	10.0
C	8.0	9	-12.5	0.0
D	5	4	20.00	6.0
E	13	9	30.77	9.23

**NOTE:** In case of a newly formed distribution company that has started operating from the consideration year i.e.2015-16 and has not been able to furnish data on AT&C losses for the last year i.e. 2014-15, but whose AT&C losses in the consideration year are 15% or less shall be awarded 5 marks.

**2.0 FINANCIAL TURN AROUND:** **Maximum marks = 20**

The marks shall be based on:

- i) Ratio of revenue earned to total expenditure
- ii) Average cost of supply (on input energy basis)

**2.1 Ratio of revenue earned to total expenditure** (in the consideration year 2015-16) **Maximum marks = 10**

The financial turnaround will be seen as a ratio of revenue earned to total expenditure (including power purchase cost, employee cost, Administrative & General and Repair & maintenance expenses, depreciation, ROE, interest etc.) of the Distribution Company. The Distribution Company who has the highest ratio will get full marks (10) and others on pro-rata basis:

Example:

Utility	Ratio
A	1.05
B	0.97
C	0.95
D	0.87

Utility A having the highest ratio as described above shall be awarded full 10 marks.

Marks awarded = Max marks x Utility's ratio / Max ratio in the range

Utility B would get  $10 \times 0.97 / 1.05 = 9.24$

Utility C would get  $10 \times 0.95 / 1.05 = 9.05$

Utility D would get  $10 \times 0.87 / 1.05 = 8.29$

## 2.2 Average cost of supply (Rs/kWh) (2015-16):

**Maximum marks = 10**

Average cost of supply(ACS) in Rs/kWh(on input energy basis) will be seen as the ratio of total expenditure (including power purchase cost, employee cost, administrative & general and repair & maintenance expenses, depreciation, ROE, interest etc.) of the distribution company to the total input energy in the licensed area (including self-generation).

The distribution company who has the lowest ratio will get full marks (10) and others on pro- rata basis.

Example:	<b>Utility</b>	<b>ACS</b>
	A	3.05
	B	2.85
	C	3.50
	D	4.0

Utility B having the lowest ACS as described above shall be awarded full 10 marks.

Marks awarded = Max marks x Min. ACS in the range/ Utility's ACS

Utility A would get  $10 \times 2.85 / 3.05 = 9.34$

Utility C would get  $10 \times 2.85 / 3.50 = 8.14$

Utility D would get  $10 \times 2.85 / 4.00 = 7.13$

## 3. Metering:

**Maximum marks = 15**

The marks for metering [distribution transformer metering, consumer metering (other than agricultural consumers) and agricultural consumer metering] shall be awarded based on the percentage metering achieved over and above the cut-off level on pro-rata basis. The company who has achieved less than the cut-off level in a particular category shall get zero marks in that category.

### 3.1 DT Metering

**Maximum Marks= 5**

Cut-off level of DT metering as on 31.03.2016: 80%

In this category utility having the highest percentage of metering shall be awarded full marks and other utilities shall be awarded marks on pro-rata basis. Utility with less than 80% metering shall not be awarded any mark under this category.

Marks awarded = Max marks x (Utility's % DT metering - cut-off level of % DT metering)/(Max value of % DT metering - cut-off level of % DT metering)

Example	Utility	DT Metering (%)
	A	87
	B	92
	C	94

Utility C having highest percentage of DT metering shall get full 05 marks and marks to other utilities shall be awarded on pro-rata basis as under:

Example:	Utility	Marks
	A	= $5 \times (87-80) / (94-80) = 2.50$
	B	= $5 \times (92-80) / (94-80) = 4.29$

### 3.2 Consumer Metering (other than agricultural consumers) Maximum Marks = 5

Cut-off level of consumer metering as on 31.03.2016: 90%

In this category utility with highest percentage of metering shall be awarded full marks and marks to other utilities shall be awarded on pro-rata basis. Utility with less than 90% metering shall not be awarded any mark under this category.

Marks awarded = Max marks x (Utility's % consumer metering - cut-off level of % consumer metering) / (Max value of % consumer metering - cut-off level of % consumer metering)

Example:

Utility	Metering %
A	97
B	100
C	94

Utility B having highest percentage of consumer metering shall get full 05 marks and marks to other utilities shall be awarded on pro-rata basis as under:

Utility	Marks awarded
A	$5 \times (97-90) / (100-90) = 3.5$
C	$5 \times (94-90) / (100-90) = 2.0$

### 3.3 Agricultural Consumer Metering Maximum Marks = 5

Cut-off level of consumer metering at the end of the consideration year: 40%

In this category utility with highest percentage of metering shall be awarded full marks and marks to other utilities shall be awarded on pro-rata basis. Utility with less than 40% metering shall not be awarded any mark under this category.

Marks awarded = Max marks x (Utility's % Agricultural consumer metering - cut-off level of % Agricultural consumer metering) / (Max value of % Agricultural consumer metering - cut-off level of % Agricultural consumer metering)

Example: **Utility Agricultural Consumer Metering %**

A	67
B	90
C	40

Utility B having highest percentage of agricultural consumer metering shall get full 05 marks and marks to other utilities shall be awarded on pro-rata basis as under:

<b>Utility</b>	<b>Marks awarded</b>
A	$5 \times (67-40) / (90-40) = 2.70$
C	$5 \times (40-40) / (90-40) = 0.00$

**Note:** In case there are no agricultural consumers served by the Distribution Company, maximum marks for DT metering and consumer metering (other than agricultural consumers) in that case would be 7.5 each.

#### 4. Reliability of supply

**Maximum marks = 18**

Marks shall be awarded for the following:

Sl. No.	Particulars	Max Marks
A	Average duration of an outage in respect of 11 kV feeders in consideration year (in hours)	6
B	Average number of outages of 11 kV feeders in consideration year	6
C	Distribution transformer failure rate (annual percentage number of distribution transformer failed during the year over the No. of DTs at the end of the consideration year)	6

Full marks in each category shall be awarded to utility having the least outages/failure. Marks to other utilities shall be awarded on pro-rata basis as explained below:

##### 4.1 Average duration of outage of 11 kV feeders

**Maximum Marks=6**

Marks awarded = Max marks x (Max. Outage duration in the range – Utility Outage duration)/ (Max Outage duration in the range – Min Outage duration in the range)

Example:

<b>Utility</b>	<b>Outage duration (hrs)</b>
A	3.0
B	5.5
C	7.0

Utility A having minimum outage duration would get full 6 marks and other utilities would get marks on pro-rata basis as given below:

<b>Utility</b>	<b>Marks</b>
B	$6 \times (7.0 - 5.5) / (7.0 - 3.0) = 2.25$
C	$6 \times (7.0 - 7.0) / (7.0 - 3.0) = 0$



#### 4.2 Average No. of outages of 11 kV feeders in consideration year Maximum Marks=6

Marks awarded = Max marks x (Max value of average No. of outages – Utility's Average No. of outages)/(Max value of average No. of outages – Min value of average No. of outages)

Example:

Utility	Average No. of outages
A	33.00
B	11.00
C	77.00

Utility B having minimum average No. of outages would get full 6 marks and other utilities would get marks on pro-rata basis as given below:

Utility	Marks
A	$6 \times (77.00 - 33.00) / (77.00 - 11.00) = 4.0$
C	$6 \times (77.00 - 77.00) / (77.00 - 11.00) = 0$

#### 4.3 Distribution transformer failure rate (annual %) Maximum Marks=6

Marks awarded = Max marks x (Max value of % DT failure rate – Utility's % DT failure rate)/(Max % value of DT failure rate – Min % value of DT failure rate)

Example:

Utility	DT Failure (%)
A	12.53
B	5.12
C	0.23

Utility C having minimum value of DT failure rate (%) would get full 6 marks and other utilities would get marks on pro-rata basis as given below:

Utility	Marks
A	$6 \times (12.53 - 12.53) / (12.53 - 0.23) = 0$
B	$6 \times (12.53 - 5.12) / (12.53 - 0.23) = 3.61$

#### 5.0 Demand Side Management (DSM) Maximum Marks=12

In case a Utility has introduced Demand Side Management measures in its area of operation, marks shall be awarded on the basis of the following:

**a) Creation of DSM cell in the Utility**

**Maximum Marks=2**

A copy of the order indicating Creation of DSM cell in the Utility shall be enclosed. In case a utility is not able to submit documentary proof of creation of DSM cell, no marks shall be awarded under this parameter.

**b) Introduction of Time of Day (TOD) metering by the Utility**

**Maximum Marks=2**

Marks shall be awarded on the basis of whether TOD metering has been adopted by the Utility. 2 marks shall be awarded in case TOD metering has been adopted otherwise, 0 mark shall be awarded on this particular parameter.

**c) Prepaid Metering**

**Maximum Marks=2**

A Utility which has introduced prepaid metering in its area of operation, 2 marks shall be awarded for the same otherwise no marks will be awarded for this parameter.

**d) Domestic efficient Lighting Programme (DELP)**

**Maximum Marks=2**

A Utility which has implemented DELP programme in its area of operation will be given 2 marks and no marks will be given if the programme is not implemented.

**e) Pilot Project on DSM**

**Maximum Marks =2**

Names of Pilot Projects undertaken by the utility on DSM with details shall be furnished. In case of completion of any pilot projects, the benefits achieved shall also be mentioned.

**f) Dissemination of information through Conferences / Seminars/ Public Lectures**

**Maximum Marks =2**

Pamphlets circulated regarding the same shall be enclosed.

**Note:** After evaluation of marks on the basis of above parameters, the total marks awarded will be given weightage depending upon the number of consumers served by the Distribution Company and percentage sales at LT level (230/415 V) out of the total sales of the Distribution Company. A multiplying factor in the range of 0.7 to 1.0 shall be given on pro-rata basis depending upon the number of consumers served and % LT sales of the Discom.

**Example :**

Utility	Marks Awarded	No. of Consumers	% LT sales
<b>A</b>	<b>85</b>	<b>500000</b>	<b>50</b>
<b>B</b>	<b>70</b>	<b>800000</b>	<b>30</b>
<b>C</b>	<b>80</b>	<b>20000</b>	<b>20</b>

$$\text{Multiplying factor} = 0.7 + 0.15 \times \left( \frac{\text{No. of consumers of the DISCOM} - \text{Minimum No. of consumers in the range}}{\text{Maximum No. of consumers in the range} - \text{Minimum No. of consumers in the range}} \right) \\ + 0.15 \times \left( \frac{\% \text{ LT sales of the DISCOM} - \text{Minimum \% LT sales in the range}}{\text{Maximum \% LT sales in the range} - \text{Minimum \% LT sales in the range}} \right)$$

$$\text{Multiplying factor for Discom A} = 0.7 + 0.15 \times \left( \frac{500000 - 20000}{800000 - 20000} \right) + 0.15 \times \left( \frac{50 - 20}{50 - 20} \right) = 0.94$$

$$\text{Multiplying factor for Discom B} = 0.7 + 0.15 \times \left( \frac{800000 - 20000}{800000 - 20000} \right) + 0.15 \times \left( \frac{30 - 20}{50 - 20} \right) = 0.90$$

$$\text{Multiplying factor for Discom C} = 0.7 + 0.15 \times \left( \frac{20000 - 20000}{800000 - 20000} \right) + 0.15 \times \left( \frac{20 - 20}{50 - 20} \right) = 0.70$$

Hence, Final marks for Utility A = 85x 0.94=79.9

Final marks for Utility B = 70x0.90= 63.0

Final marks for Utility C = 80x.70=56.0

## FORMAT FOR DATA REQUIREMENT (Consideration year 2015-16)

## 1. DATA FOR AT&amp;C LOSSES

Sl. No.	Item	Unit	2014-15	2015-16
1.	Self generation	MU		
2.	Purchased from CPSU(figures at the Distribution periphery)	MU		
3.	Purchased from other utilities(figures at the Distribution periphery)	MU		
4.	Total input (U <sub>T</sub> ) (1 +2 +3)	MU		
5.	Units Traded with other utilities(U <sub>T</sub> )(figures at Distribution periphery)	MU		
6.	Units utilized within licensed area (4 - 5)(U <sub>I</sub> )	MU		
7.	Units Billed within utility licensed area(U <sub>B</sub> )	MU		
8.	Amount Billed within utility licensed area (A <sub>B</sub> )	Rs. crores		
9.	Amount realized within utility licensed area (A <sub>R</sub> )	Rs. crores		
10.	Collection efficiency (CE = 100*A <sub>R</sub> /A <sub>B</sub> )	%		
11.	Units realized (U <sub>R</sub> ) {(U <sub>B</sub> x CE(%))/100}	MU		
12.	AT&C losses (U <sub>I</sub> - U <sub>R</sub> )	MU		
	AT&C losses {1-(U <sub>R</sub> /U <sub>I</sub> )}*100	%		

Note : i) The amount at Sl.No.8 shall not include meter rent, wheeling and other charges and subsidy receivable from State Governments etc.  
ii)The amount at S.No. 9 shall not include last year's arrears.

**B. FINANCIAL TURN AROUND**

Sl. No.	Item	Unit	2015-16
1.	Energy Input	MU	
<b>2</b>	<b>Total Revenue earned</b>	<b>Rs. crore</b>	
2.1	Tariff income	Rs. crore	
2.2	Non-tariff Income	Rs. crore	
2.3	Other Income	Rs. crore	
<b>3.</b>	<b>Total Expenditure</b>	<b>Rs. crore</b>	
3.1	Employees Cost	Rs. crore	
3.2	A & G Expenses	Rs. crore	
3.3	Repair & Maintenance Expenses	Rs. crore	
3.4	Depreciation	Rs. crore	
3.5	ROE	Rs. crore	
3.6	Interest	Rs. crore	
3.7	Power Purchase cost	Rs. crore	
<b>4.0</b>	<b>Average cost of supply (on input energy basis) during consideration year</b>	<b>Rs/kWh</b>	

**C. METERING (As on 31.03.2016)**

Sl. No.	Item	Unit	2015-16
1	Total No. of DTs	No.	
2	No. of DTs metered	No.	
3	Total No. of consumers (excluding Agricultural consumers)	No.	
4	No. of consumers metered (excluding Agricultural consumers)	No.	
5	Total no. of agricultural consumers	No.	
6	No. of agricultural consumers metered	No.	

**D. RELIABILITY**

Sl. No.	Item	Unit	2015-16
1.	Total No. of 11 kV feeders( <b>As on 31.03.2016</b> )	No.	
2.	Total No. of outages of 11 kV feeders (in 2015-16)	No.	
3.	Summation of duration of outages of all the 11 kV feeders ( in 2015-16)	Hrs	
4.	Total No. of distribution transformers (DT) ( <b>As on 31.03.2016</b> )	No.	
5.	No. of distribution transformers failed (during 2015-16)	No.	

**F. Demand Side Management**

Sl. No	Item	Details required
1	Order for Creation of DSM cell in the Utility	Indicate date of Creation of DSM cell
2	Introduction of TOD metering by the Utility	Indicate date of introduction of TOD metering and no. of installations functional as on date.
3	Introduction of prepaid meters	Indicate consumer category for which prepaid meters has been installed and no. of functional installations as on date
4	Domestic Efficient Lighting Programme (DELP)	Indicate whether the programme has been implemented or not
5	Pilot Project on DSM	Names of Pilot Projects undertaken by utility on DSM with details (date of start, completed or continued etc).
6	Dissemination of information through Conferences /Seminars/Public Lectures	Pamphlets circulated regarding the same may be enclosed

**G. No. of Consumers Served at Various Voltage Levels**

<b>Voltage class</b>	<b>No. of consumers served</b>	<b>% Sales</b>
≤132 kV		
66 kV		
33 kV		
11 kV		
415 V		
230 V		

## **Performance Award Scheme for Rural Distribution Franchisees (RDFs) (Consideration Year 2015-16)**

### **3.0 Preamble**

The electricity distribution sector has been identified as a key area for the improvement of economy of the whole country. In the 10<sup>th</sup> plan and beyond it had been decided to provide access to electricity to all the households in the country. This Award scheme is intended to promote, encourage and recognise the efforts of the **RURAL DISTRIBUTION FRANCHISEES (RDFs)** in improving the efficiency of electricity distribution and revenue management in rural areas.

This scheme has been *formulated* in which the awards are proposed to be given every year to three best performing RDFs *in the country* operating in the rural areas on the basis of predefined specific criteria.

### **4.0 Nature of Award**

Three best performing rural distribution franchisees in the country will be awarded every year with shields (Gold, Silver and Bronze *respectively*) in recognition of their performance to improve electricity distribution *in their jurisdiction*.

Their performance would be judged on the basis of the evaluation criteria as laid down in **Annexure-I**. These parameters would be reviewed from time to time based on the progress made by the rural distribution franchisees in respect of improvement of their electricity distribution system and revenue management to make it viable and revenue sustainable. The criteria would be valid till it is modified by *Central Electricity Authority (CEA)*.

### **3.0 Eligibility**

The eligibility criteria are as follows:

- 3.1 Only rural distribution franchisee for the villages which have been declared electrified as per the definition of the village electrification shall qualify for this award scheme.
- 3.2 All the rural distribution franchisees in villages of the country irrespective of whether the villages have been electrified under RGGVY or any other scheme shall be eligible under this award scheme.
- 3.3 Rural distribution franchisees that have provided metered service connections to 80% or more consumers in the consideration year shall be eligible under this scheme.
- 3.4 Rural distribution franchisee *achieving 80% or more revenue* collection of billed amount *in* the consideration year shall be eligible under this scheme.
- 3.5 Rural distribution franchisees that are operating as franchisee for the *complete financial year* (April 2015 to March 2016) shall be eligible under this award scheme.
- 3.6 Rural distribution franchisees having less than 1000 number of consumers shall not be eligible under this award scheme.



## 4.0 Evaluation Criteria

4.1 The evaluation criteria has been kept as simple as possible based on the following parameters:

Sl. No.	Particulars	Maximum Marks
1	Type of Activity undertaken by RDF	18
2	<i>Metered</i> service connections (metered connection as percentage of total service connections)	12
3	Revenue Management	50
4	AT&C Losses	20
	<b>Total</b>	<b>100</b>

4.2 In case partial data is received from any rural distribution franchisee through their distribution licensee no marks shall be assigned to the parameter for which full data is not received.

4.3 *Ministry of Power had suggested that the number of consumers of RDFs should be taken into account in finalizing the awards. Accordingly, the marks awarded for revenue management will be given weightage depending upon the number of consumers of the franchisee while finalizing awards after receipt of data from distribution utilities / Electricity Departments in CEA. A multiplying factor in the range of 0.9 to 1.0 shall be given on pro-rata basis depending upon the number of consumers of the franchisee i.e. the marks for revenue collection shall be multiplied by 0.9, in case, the franchisee has minimum number of consumers and would be multiplied by 1 if the franchisee has maximum number of consumers*

4.4 These parameters have been further sub-divided into various factors as detailed in **Annexure-I**. The assessment shall be made on the basis of performance related *parameters indicated in evaluation criteria at Annexure-I*.

## 5.0 Data Requirement/Submission and Evaluation

5.1 *It shall be responsibility of the appropriate distribution licensees to obtain the data from the RDFs in the proforma given at Annexure-II, analyse the same as per the criteria laid down in Annexure-I and identify the best three RDFs in their area of supply/jurisdiction .*

5.2 *The statement of marks as per Annexure-III is to be submitted to CEA (by a specified date) by Distribution licensees in respect of the best three RDFs for each licensee along with complete set of proposal of best three RDFs and data as indicated in Annexure-II.*

5.3 *All the proposals (after completion of steps 6.1 and 6.2) thus received from Distribution licensees by CEA would be evaluated in CEA for deciding the best three RDFs at country level. In case of tie between two or (among) more RDFs, other things being equal, the RDF handling a larger number of consumers would be ranked higher.*

## 9.0 Time Schedule for Submission of Data

The year for which award is being considered shall be hereafter called consideration year. Last date for submission of data for consideration year 2015-16 is 31<sup>st</sup> August, 2016 unless extended.

## **10.0 Nodal Division**

All correspondence pertaining to the scheme shall be made in electronic form as well as in hard copy form to:

**Chief Engineer (PFAM)  
Central Electricity Authority  
Room No. 629, 6<sup>th</sup> Floor (North Wing), Sewa Bhawan, R.K.Puram-I  
New Delhi-110066  
Tele Fax 011-26715396**

Email [award201415@gmail.com](mailto:award201415@gmail.com)

## Evaluation Criteria for Performance Award Scheme for Rural Distribution Franchisees (RDFs)

### 1.0 Bench Mark Parameters for the Award Scheme

- 1.1** Rural distribution franchisees that have provided metered service connections to 80% or more consumers in the consideration year shall be eligible under this scheme.
- 1.2** Rural distribution franchisees *achieving 80% or more revenue collection of billed amount* in the consideration year shall be eligible under this scheme.
- 1.3** *Rural distribution franchisees having less than 1000 number of consumers shall not be eligible under this award scheme.*

### 2. Type of Rural Distribution Franchisee: (Maximum marks = 18)

**2.1** *Depending upon the activities covered by Rural Distribution Franchisee a total of 18 marks have been distributed as indicated in **Table** below:*

**Table: Activities Covered by Rural Distribution Franchisees**

Sl. No.	Type of activity covered by Rural Distribution Franchisee	Maximum Marks
1.	Procurement of power through Bulk Supply Tariff arrangement based on transparent process of bidding	2
2.	System augmentation	2
3.	Maintenance of assets (sub-station, lines etc)	2
4.	Meter installation and service connections	2
5.	Meter reading	2
6.	Preparation of bills	2
7.	Disbursement of bills	2
8.	Revenue collection	2
9.	Consumer Complaints (fuse off call etc)	2
	<b>Total</b>	<b>18</b>

**Example:** An RDF who has under taken the meter reading, preparation of bills, disbursement of bills and revenue collection (i.e. four out of 9 activities listed in 2.1) shall be awarded 8 marks.

### 3. Metered Service Connections: (Maximum marks = 12)

As per the Electricity Act, 2003 all the consumers are to be metered, unless exempted by the Appropriate State Electricity Regulatory Commission. Cut-off level of metered service connections is 80%. Rural distribution franchisees having metered service connections below 80% at the end of consideration year shall not be considered for award. The marks for metered service connections

shall be awarded based on the *percentage of metered service connections to total number of service connections* achieved at the end of consideration year over and above the cut-off level on pro-rata basis as per the following **example**:

**Marks obtained = Maximum marks x (% metering achieved by RDF – 80%)/(% Max metering achieved by RDF - 80%)**

Rural distribution franchisees (RDFs)	Metered service connections (%)
<b>A</b>	90
<b>B</b>	100
<b>C</b>	95
<b>D</b>	50
<b>E</b>	0

Franchisee B having highest percentage of metered service connections shall get full *marks* (12). Franchisee D and E shall not be eligible for the award. Marks of other franchisees shall be awarded on pro-rata basis as under:

Rural distribution franchisees (RDFs)	Marks obtained (Out of 12)
<b>A</b>	$12 \times (90-80) / (100-80) = 6.0$
<b>C</b>	$12 \times (95-80) / (100-80) = 9.0$

#### 4. Revenue Management: (Maximum marks = 50)

The following criteria shall be applicable:

- a) revenue collection as a percentage of the billed amount for the consideration year (30 marks); and
- b) Improvement in percentage revenue collection over previous year (20 marks).

##### 4.1 Revenue Collection in the **Consideration Year (%)**: (Maximum marks = 30)

Rural distribution franchisee with 100% (say) of revenue collection as a *percentage of the billed amount* for the *consideration year* would be awarded full marks (30). Rest of the RDFs would be given marks on pro-rata basis as explained below:

Rural distribution franchisees (RDFs)	Revenue collection as a <i>percentage of the billed amount</i> for the <i>consideration year</i> (%)
<b>A</b>	100
<b>B</b>	90
<b>C</b>	95

Rural Distribution franchisee A shall get full marks (30). Marks of other franchisees shall be awarded on pro-rata basis as under:

Rural distribution franchisees (RDFs)	Marks obtained (Out of 30)
<b>B</b>	$30 \times (90-80)/(100-80) = 15$
<b>C</b>	$30 \times (95-80)/(100-80) = 22.5$

The marks awarded for revenue collection in the above manner will be given weightage depending upon the number of consumers of the franchisee while finalizing awards after receipt of data from distribution utilities in CEA. A multiplying factor in the range of 0.9 to 1.0 shall be given on pro-rata basis depending upon the number of consumers of the franchisee i.e. the marks for revenue collection shall be multiplied by 0.9, in case, the franchisee has minimum number of consumers and would be multiplied by 1 if the franchisee has maximum number of consumers. In other cases, the multiplying factor will be calculated as under:

$$\text{Multiplying factor} = 0.9 + 0.1 \times (\text{No. of consumers of the RDF} - \text{Minimum No. of consumers of all eligible RDFs}) / (\text{Maximum No. of consumers of the eligible RDFs} - \text{Minimum No. of consumers of the eligible RDFs})$$

**4.2 Improvement in percentage Revenue Collection Over Previous Year: (Maximum marks = 20)**

Marks distribution shall be as follows:

i) Marks distribution for RDFs:

S.No	Percentage revenue collection of RDF in consideration Year.	Marks (if Revenue Collection increases/remains same as compared to previous year)	Marks (if Revenue Collection decreases as compared to previous year)
1	95 and above	20	15
2	90 and above but less than 95	15	10
3	80 and above but less than 90	10	5

ii) RDFs that have not done any operations in the year *just preceding the* consideration year but revenue collection in the consideration year is more than 90% shall get 10 marks.

**Note: If revenue collection in any year is more than 100% the same would be treated as 100%.**

**5. AT&C Losses (Maximum Marks =20)**

5.1 Based on the eligible proposals received, their percentage AT&C losses would be listed. RDF having the minimum percentage AT&C loss would be awarded a maximum of 20 marks.

Rest of the RDFs would be awarded marks based on the following formula:

$$\text{Marks awarded} = \text{Max Marks} \times (\text{Max value of \% AT\&C Loss in the range} - \text{Utility's \% AT\&C Loss}) / (\text{Max value of \% AT\&C Loss in the range} - \text{Minimum value of \% AT\&C loss in the range})$$

RDF with minimum % AT&C loss would get maximum marks i.e. 20 and that with maximum % AT&C loss would get zero marks as explained by the example below:

Example	RDF	%AT&C loss
	A	30
	B	15
	C	8

Marks distribution shall be as follows:

RDF	Marks
A	$20 \times (30 - 30) / (30 - 8) = 0$
B	$20 \times (30 - 15) / (30 - 8) = 13.64$
C	$20 \times (30 - 8) / (30 - 8) = 20$

## Annexure-II(1)

**Parameters for Performance Award Scheme for Rural Distribution Franchisees (RDFs)  
(To be submitted to Distribution licensee by the franchisees)**

**Consideration year:-----**

Sl. No.	Particulars	Remark/Response
1	Name of the village, district and state	
2	Name of the franchisee	
3	Village declared electrified	Yes/No
4	Date of commencement of franchisee operation	
5	Type of Activity covered by Rural Distribution Franchisee	
5.1	Procurement of power through Bulk Supply Tariff (BST) arrangement based on transparent process of bidding	Yes/No
5.2	System augmentation	Yes/No
5.3	Maintenance of assets (sub-station, lines etc)	Yes/No
5.4	Meter installation and service connections	Yes/No
5.5	Meter reading	Yes/No
5.6	Preparation of bills	Yes/No
5.7	Disbursement of bills	Yes/No
5.8	Revenue collection	Yes/No
5.9	Consumer Complaints (fuse off call etc)	Yes/No
6	Total input energy in franchisee area in consideration year (Million Units)	
7	Total input energy in franchisee area in previous year (Million Units)	

## Annexure-II(2)

Sl. No.	Particulars	
1	Total No. of consumers at the end of consideration year	
2	No. of metered service connections at the end of consideration year	
3	Metered consumer as percentage of total consumers at the end of consideration year ( <b><math>100 \times \text{Item 2} / \text{Item 1}</math></b> )	
4	Total No. of consumers at the end of previous year	
5	No. of metered service connections at the end of previous year	
6	Metered consumer as percentage of total consumers at the end of previous year ( <b><math>100 \times \text{Item 5} / \text{Item 4}</math></b> )	
8	Total amount billed in consideration year (Rs Lac)	
9	Total amount collected in consideration year (Rs Lac)	
10	Revenue collection as a <i>percentage of the billed amount</i> for the <i>consideration year</i> ( <b><math>100 \times \text{Item 9} / \text{Item 8}</math></b> )	
11	Total amount billed in the year just prior to consideration year (Rs Lac)	
12	Total amount collected in the year just prior to consideration year (Rs Lac)	
13	Revenue collection as a <i>percentage of the billed amount</i> in the year just prior to consideration year ( <b><math>100 \times \text{Item 12} / \text{Item 11}</math></b> )	
14	Percentage point improvement (in revenue collection as a <i>percentage of the billed amount</i> ) in consideration year compared to the year just prior to consideration year ( <b><math>\text{Item 10} - \text{Item 13}</math></b> )	

**Annexurell(3)**

Sl.No.	Item	Unit	2014-15	2015-16
1.	Total input energy in franchisee area in consideration year (Million Units) ( $U_I$ )	MU		
4.	Units Billed ( $U_B$ )	MU		
5.	Amount Billed ( $A_B$ )	Rs. Lacs.		
6.	Amount realized ( $A_R$ )	Rs. Lacs.		
7.	Collection efficiency ( $CE = 100 * A_R / A_B$ )	%		
8.	Units realized ( $U_R$ )= $\{U_B \times CE(\%)\} / 100$	MU		
9.	AT&C losses ( $U_I - U_R$ )	MU		
	AT&C losses $\{1 - (U_R / U_I)\} * 100$	%		



### Annexure III

#### Statement of marks in respect of the best three Rural Distribution Franchisees(RDFs) for Performance Award Scheme for consideration Year (To be submitted by each Distribution Licensee to CEA)

Name of Distribution Licensee

Sl. No.	Particulars	Response and marks awarded in respect of RDF			Re- marks
		Ranked I	Ranked II	Ranked III	
1	Name of the village, district and state				
2	Name of the franchisee				
3	Village declared electrified				
4	Date of commencement of franchisee operation				
4.1	Area covered by RDF (Sq km)				
4.2	Whether the area covered by RDF is plain, hilly or a difficult terrain				
5	<b>Type of Activity covered by Rural Distribution Franchisee (marks 18, 2 marks for each of the activities from 5.1 to 5.9)</b>				
5.1	Procurement of power through Bulk Supply Tariff (BST) arrangement based on transparent process of bidding				
5.2	System augmentation				
5.3	Maintenance of assets (sub-station, lines etc)				
5.4	Meter installation and service connections				
5.5	Meter reading				
5.6	Preparation of bills				
5.7	Disbursement of <i>bills</i>				
5.8	Revenue collection				
5.9	Consumer Complaints (fuse off call etc)				
6	Total input energy in franchisee area in consideration year (Million Units)(U <sub>i</sub> )				
7	Total input energy in franchisee area in previous year (Million Units)				
8	<b>Metering of Service connections</b>				
8.1	Total No. of consumers at the end of consideration year				
8.2	No. of metered service connections at the end of consideration year				
8.3	Metered consumer as percentage of total consumers at the end of consideration year <b>(100*Item 8.2/Item 8.1) (marks 12)</b>				
8.4	Total No. of consumers at the end of previous year				
8.5	No. of metered service connections at the end of previous year				
8.6	Metered consumer as percentage of total consumers at the end of previous year <b>(100*Item 8.5/ Item 8.4)</b>				
9	<b>Revenue Management</b>				

9.1	Total amount billed in consideration year (Rs Lac)				
9.2	Total amount collected in consideration year (Rs Lac)				
9.3	Revenue collection as a <i>percentage of the</i> billed amount for the <i>consideration year</i> ( <b>100*Item 9.2/Item 9.1</b> ) (marks 30)				
9.4	Total amount billed in the year just prior to consideration year (Rs Lac)				
9.5	Total amount collected in the year just prior to consideration year (Rs Lac)				
9.6	Revenue collection as a <i>percentage of the</i> billed amount in the year just prior to consideration year ( <b>100*Item 9.5/Item 9.4</b> )				
9.7	Percentage point improvement (in revenue collection as a <i>percentage of the</i> billed amount) in consideration year compared to the year just prior to consideration year ( <b>Item 9.3-Item 9.6</b> ) (marks 20)				
<b>10</b>	<b>AT&amp;C Losses</b>				
10.1	Units Billed ( $U_B$ )				
10.2	Amount Billed ( $A_B$ )				
10.3	Amount realized ( $A_R$ )				
10.4	Collection efficiency ( <b>CE = 100*item 10.3/item 10.2</b> )				
10.5	Units realized ( $U_R$ )= ( <b>item 10.1 x item 10.4)/100</b> )				
10.6	AT&C losses ( <b>item 6 – item 10.5</b> )				
10.7	AT&C losses { <b>1-(item 10.5/item 6)</b> }*100 (Marks 20)				

**Note:**

- a) A brief write-up indicating the highlights of operation, management, maintenance practice, other innovation etc may be submitted in respect of the RDFs ranked I, II and III. Salient points of the village served, type of load, consumer categories, type of irrigation, climatic conditions, water table, usual hours of power supply, historical and geographical importance of the area may also be furnished along with the evaluation sheet in respect of RDFs ranked I, II and III.
- b) Total number of Rural Distribution Franchisees (RDFs) operating as on date and number of RDFs who have submitted the proposal to each Distribution Licensee may also be submitted.