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भारत संचार निगम लिमिटेड
(भारत सरकार का उपक्रम)
BHARAT SANCHAR NIGAM LIMITED
(A Govt. of India Enterprise)

F. No. 61-20/2011-Infra Sales/Pt./WB

Dated: 09.01.2012

To

The Chief General Manager,
All Telecom Circles/Distt.

**Subject: Payment of energy bills to IPs on the basis of "fixed hourly energy charges" -
issuing procedure and guidelines and the authorization to the circles.**

Many circles through their proposals and the representations from various IPs along with TAIPA was demanding that BSNL should go for 'fixed hourly energy charges methodology' for the payment of energy bills to IPs for the sites hired from them by BSNL. This office has received few proposals of circles for fix energy charges. They were analyzed in this office and found wide variation, many assumptions were made and various data taken into account by the committee while finalizing the rates have not been communicated to this office, therefore the proposals could not be approved by this office. The issue of "fixed hourly energy charges" was deliberated in the Management Committee meeting on 4th January, 2012 and the Management Committee has approved that

2.1 "The circles are Authorized" to devise a suitable methodology for payment of energy bills to IPs on the basis of fixed hourly energy charges by forming the following committee:

- i. GM (NWO-CM) or GM dealing with payment of IP bills.
- ii. SE (Electrical)
- iii. DGM (Finance)
- iv. DGM (NWO-CM) i.e. DGM dealing with payment of IP bills (Convener)

2.2 The above committee may arrive at a suitable methodology on the basis of following guidelines:

- i. For calculation of load attributable to BSNL, weighted average load should be worked out for Indoor and Outdoor type BTS for each IP. Battery charging load should not be added in total load attributable to BSNL rather battery discharge hours should be added in EB availability hours and/or DG run hours. It may be assumed that charging of the batteries is carried out on EB supply, to the extent of availability of EB supply and should be accounted appropriately.
- ii. For Electricity consumption charges: On the basis of load attributable to BSNL (in KW), consumption of electricity per hour (in KWH) should be worked out for payment of Electricity Charges as per prevailing electricity tariff in the circle.

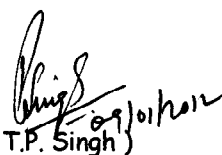
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- iii. For Diesel consumption charges: The consumption per hour (CPH) may be arrived at taking into account the average load attributable to BSNL, the total load at IP site, etc. The optimum dimensioned capacity of DG set (at least 15 KVA DG set) as per the total load at site, may be taken for CPH Calculation.
- iv. For arriving at Electricity availability hour and DG running hours, hired IP site may be suitably categorized as per availability of Electricity at different locations in the circle. The committee has also to consider EB availability changes during the year at the time of annual review.
- v. Before adopting any methodology for payment of energy charges, the IPs should be taken into confidence. For this purpose, one or two IPs having provided maximum number of sites to BSNL in the Circle should also be taken as member of the committee for deciding the energy charges payment methodology.
- vi. The circle should review the energy charges payment methodology every year in consultation with IP.
- vii. The committees appointed at Circles should also finalize the list of necessary minimum documents, if any to be submitted by the IPs with the energy bills as per the energy charges payment methodology finalized by the committee and adopted in the circles.
- viii. The circles may further fine tune their payment procedures/methodology in view of the above guidelines.
- ix. Recommendation given by the above committee (Para-2.1) should be approved by the Circle Head in consultation with Circle IFA.
- x. Circles should finalise and adopt the energy charges payment methodology on the basis of "Fixed Hourly Energy Charges" as per given guidelines within one month time frame from the date of issue of guidelines from this office.
- xi. The payment of pending/unsettled bills of this Financial Year 2011-12 may be made on the basis of "Fixed Hourly Energy Charges basis".

Methodology for calculation of hourly energy charges is shown in Annexure-A (copy enclosed)

It is therefore requested that all the circles may kindly finalise the methodology and the "fixed hourly energy charges, EB availability, DG Run Hours, etc. in consultation with representatives of IPs for payment of energy charges within a month's time from the date of issue of this letter. A copy of approved fix hourly charges etc. of the circle may be sent to this office also.

This is issued with the approval of Executive Director (NB).


(T.P. Singh)
Asstt. General Manager (CMTS Infra-I)

Copy to:

1. OSD to CMD, BSNL
2. Director (CM), BSNL Board
3. Shri Umang Das, Director General, TAIPA

Methodology:

Annexure--A

Step-1: Calculation of Average Load attributable to BSNL:

Average load attributable to BSNL at IP site can be worked out in following format for Indoor and Outdoor BTS for each IP:

Sl. No.	Site Name	Average load of BTS of BSNL (in Amp)	Load of Tx Equip. (In Amp)	Air Cond. load attributable to BSNL (applicable for indoor sites only) (in KW)	Misc. Load attributable to BSNL (Compound Lighting Load etc.) (In KW)	Total Load attributable to BSNL (in KW)
		A	B	C	D	$E = \{(A+B)*50\}/1000 + C+D$
Total Load						

$$\text{Weighted Load attributable to BSNL for given IP} = \frac{\text{Total Load attributable to BSNL of all sites of given IP}}{\text{Total number of hired site from given IP}}$$

Step-2: Determination of CPH for Diesel:

Based upon the total load attributable to BSNL and the total load of IP site, CPH for DG can be calculated for O/D as well as I/D BTS as per following table:

Total Load attributable to BSNL (in KW)	No. Of Tenants including BSNL at IP site	Total Load of the IP site (in KW)	Total Load of the IP site (in KVA)	Electricity CPH attributable to BSNL (units per hour)	% loading of DG Set (in reference of 15 KVA DG set)
E	F	G	$H = G/0.8$	I (=E)	J

Based upon the % loading of DG Set (value in column-J above), Overall Diesel CPH (Consumption Per Hour) of IP site can be worked out and accordingly Diesel CPH attributable to BSNL can be arrived at as below:

$$\text{CPH_Diesel (BSNL)} = \frac{\text{Load attributable to BSNL, E (above table)}}{\text{Total Load of IP site, G (above table)}} * \text{Overall diesel CPH of IP site}$$

Step-3: Calculation of Hourly Energy Charges (i.e. Charges for running BSNL equipment for one hour on Electricity and DG):

$$\text{Hourly Electricity Charge} = \text{CPH of Electricity attributable to BSNL (units Per Hour)} * \text{Existing Unit rate of Electricity in state}$$

$$\text{Hourly DG Charge} = \text{CPH of DG (BSNL) (in litres)} * \text{Prevailing Diesel rate in state}$$

$$\text{Step-4: Total Monthly Energy Charges} = \text{Hourly Electricity Charge} * \text{EB availability Hours} + \text{Hourly DG Charge} * \text{DG run hours}$$

Handwritten signature and date: 09/10/2012