

**Minutes of the Eighth Meeting of the State Advisory Committee held on 17<sup>th</sup> February 2009 at 11.30 am in the Conference Hall of the Gujarat Chamber of Commerce and Industry (GCCCI), Ahmedabad**  
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At the outset, Secretary Gujarat Electricity Regulatory Commission (GERC) welcomed the members. Shri Jyotindra Patel of GCCCI thanked Chairman and Members of the State Advisory Committee for accepting their invitation to conduct the 8<sup>th</sup> State Advisory Committee Meeting at GCCCI Conference Hall. He requested the Chairman GERC to release the book published jointly by GCCCI & CERS titled "*Guidelines on Rights of Electricity Consumers under the Electricity Act, 2003*". While releasing this booklet Dr. P.K. Mishra, Chairman GERC mentioned that the issues covered in the booklet are related to Electricity Consumers Rights and Duties and this will go a long way in communicating with large section of consumers through the industries associations.

Dr. P.K. Mishra, Chairman, welcomed all the Members of the State Advisory Committee. He stated that as discussed last time, the meeting is convened after short interval and would be held at regular intervals. He explained the recent developments that took place at State level as well at the Commission such as amendments in the Wind Policy, Solar Power Policy as well the tariff orders issued by the Commission recently. Members of the Committee were also informed about the end of the term of Shri K.P. Gupta, Member (F) of the Commission. The MYT Orders issued by the Commission is a balanced one and it will protect the consumers' interest and the growth of DISCOMs in expanding their activities. With regard to Solar and Wind Power Policy, Dr. P.K. Mishra indicated that the Commission is reviewing both policies and will issue necessary orders/amendment in Regulations.

Thereafter, the agenda items were taken up.

The list of the Members present in the meeting is annexed (Annexure-I).

### **Agenda Item No.1**

Approval of the Minutes of the 7<sup>th</sup> Meeting of the State Advisory Committee held on 7<sup>th</sup> October, 2008

The Advisory Committee approved the Minutes of the Seventh Meeting with minor changes as suggested by Shri N. Dinkar regarding replacement of words 'Efficient Motor' by 'Efficient Pump Set'.

### **Agenda Item No.2**

Action points of the Seventh Meeting of the Committee

Following issues were explained and discussed in detail

- MDs of all Discoms were informed about the metering issues in the meeting of Co-ordination Forum on 8.10.2008.
- Though it is not mandatory, Commission convened a meeting of Members of the Consumer Grievances Redressal Forums (CGRF) on 21.10.2008 wherein the Commission has directed for timely disposal of the cases and uploading of their orders on the website etc.

### **Agenda Item No.3**

Order of the MYT Petitions

Members were apprised of the recent orders issued on 17.1.2009 on Multi Year Tariff (MYT). The Highlights are as under:

- *No increase in fixed charges for any consumer.*
- *Modest increase of 10 paise per unit energy charges for some categories of consumers. The average increase is 5 paise per unit of energy.*
- *96 % residential consumers and 82 % of commercial consumers will not be affected by any increase in tariff:*

- *No change in FPPPA formula. Furthermore, if incremental charge is 10 paise or more, prior approval of the Commission will have to be taken by the utility.*
- *With the reduction in FPPPA from the next quarter, it is hoped that electricity bills of a majority of consumers will be lower.*
- *Reduction in transmission charges from Rs.2510/MW/Day to Rs2410/MW/ per day.*
- *Cross-subsidy charge reduced from Rs 1.00 to Rs. 0.51 per unit. This will benefit open access consumers.*
- *No tariff increase for the Railway traction.*
- *Night tariff for LT consumers and reduction in energy charges for night tariff:*
- *Special tariff of Rs. 1.50 per unit for Below Poverty Line (BPL) consumers.*
- *Approval for release of about 2 lakh pending agricultural connections and introducing a new tariff category for HT supply for pumping of surface water for irrigation.*

Shri Dinkar suggested to have full forms of the abbreviations first and then the abbreviation in all the reports/minutes of the committee/Commission in its tariff orders to enable the consumers to comprehend it.

Dy. Chief Electrical Engineer, Western Railway, Mumbai thanked the Commission for considering the pleas of Railways by not increasing any tariff in respect of railway traction category.

The issue related to BPL consumers was discussed in detail. The members were informed that a new BPL category has been introduced in accordance with the National Tariff Policy. Secretary, GERC stated that the BPL cards issued by Rural Development Department will be considered as a proof of eligibility in order to get the benefit as mentioned in BPL category.

Shri Bhavchand Damelia suggested that completing the pending demands of Agriculture Consumers should be on priority basis. It was pointed out by the Secretary, GERC that in the recent tariff orders, pending demand of agricultural consumers has been incorporated during the control period of 2008-09 to 2010-11. Discoms have started granting agricultural connections with HVDS transformers. This would minimize transmission and distribution losses and theft of electricity.

Issues such as Cross subsidy & FPPPA were explained to the Members of the Committee in detail.

Mrs ha Bhatt of SEWA suggested that measures be taken for prevention of waste and conservation of energy. The issue was discussed in detail by Members of the Committee with regard to Demand Side Management and Incentive for conservation of energy. It was felt that utilities should play a major role in educating the consumers. Shri K.P. Gupta, Member (F) indicated that the utilities can take proactive steps in this regard. Commission is going to frame a separate policy in this regard.

*(Action by Jt Director (Tech))*

Shri N. Dinkar sought clarification about the decimals in the rates of cross subsidy surcharge i.e. Rs. 0.51 Ps. He suggested to rounding up the rates instead in decimals. It was explained that as per the formula prescribed in National Tariff Policy the Commission has worked out the cross subsidy surcharge.

#### Agenda Item No.4

##### Recent activities/orders/notifications

It was explained to the Members on their queries that to promote solar power generation in the State, the Commission has issued order on 22.1.2009

regarding tariff for grid interactive demonstration solar power plants. The order was finalized after considering the objections/suggestions received from stakeholders. It was explained to the members that the GVNL would buy solar power at Rs. 3.37 and solar project developers shall be entitled to incentive over and above tariff as per the MNRE guidelines.

#### Agenda Item No.5

##### **SOP Regulations**

SOP Regulations are mostly related to consumers benefit. Compliance report on this aspect submitted by various utilities for the 2<sup>nd</sup> quarter of 2008-09 is analysed and hosted on the website of the Commission.

Shri N. Dinkar suggested to provide remarks and analysis on SOP Reports. The suggestion was accepted and comments would be circulated with the agenda note for next meeting

*(Action by Dy Director (Tech-II))*

#### Agenda Item No.6.

##### **Monitoring Reports of Forums and Ombudsman**

Shri Dhamelia indicated the difficulties faced by the consumers from the distribution company officials and suggested to implement the orders of CGRFs on similar issues by the field staff.

Shri Shivlal Barasiya, Rajkot Engg. Association took active part in the discussions on this issue and requested to direct the Forums that no harassment is meted out to the consumers from utilities with respect to LT/HT consumers.

## **Agenda Item no.7**

### **Letters from Members**

Following issues were discussed:

Frequency of meeting should be increased and the Members who do not remain present consistently may be replaced.

Shri Shivlal Barasiya, Rajkot Engg. Association and the GCCI represented that GUVNL is buying power at a higher rate from the private entities and the consumers have to bear the higher cost. It was explained to the members of the committee that various parameters are considered for merit order power purchase by GUVNL. Short term and long terms purchase costs vary depending upon the demand supply gap. In the event of short supply, the companies resort to power cut which is not in the interest of consumers too. Dr. P.K. Mishra, Chairman indicated that PPAs of all the utilities are approved by the Commission after considering interest of stakeholders.

Pilot project for energy efficient pump sets was discussed. The reports received from Discoms revealed 21% energy saving. Shri Dinkar emphasized on use of energy efficient motors (EEM). As 70% of electricity is used by motors, they have large potential to save energy. He suggested to make it mandatory to install either a new EEM on replacement of motor after failure or to install a EEM to obtain a new connection.

Traction Tariff for Railways is much higher in Gujarat as compared to other States. Dy. Chief Electrical Engineer of Railways requested to look into the matter favourably.

Issue of night tariff for local industries was discussed in detail. GCCI & REA suggested to change the period for night tariff from 9.00 pm to 7.00 a.m.

Discoms are permitting night tariff whereas TPL is not permitting Night tariff. Since this issue was not brought to the notice of the Commission while making submissions during the tariff petitions, this aspect will be taken care of in the future.

Shri Dhameliya suggested modification in Section 7.6.6 of Supply Code for the consumers booked under section 135.

Shri Dhameliya further informed the Committee that the rural school at Bela village which was discussed in the last meeting is getting power from JGY feeders, but the cable is laid by school at its own cost and is of capacity to use 2-3 bulbs. But power supply should be provided to run computers also.

Issue of quality power was discussed and it was informed that the Distribution Companies are doing their best by converting the LT lines to HVDS. Members expressed their views that though HVDS should be encouraged, charging for HVDS cost to consumers is required to be looked into.

Rajkot Engineering Association and GCCI expressed their experience regarding discrimination in charging pro-rata for initial and subsequent consumers.

Dr P.K. Mishra, Chairman suggested to the members to bring such instances to the notice of the Commission so that the issues could be brought to the notice of Consumer Forums of respective Utilities in writing by the Commission.

### **Item No. 8**

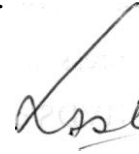
#### **Any other item with the permission of Chair**

Members took note of the valuable services of Shri K.P. Gupta, Member, GERC who completes his term of 5 years. Shri Gupta would be demitting his office on 18.2.2009. Members of the Committee expressed their feelings and

acknowledged the leadership and services/ guidance rendered by Shri Gupta. All the Members appreciated the contribution and initiatives taken by Shri Gupta during his tenure on various activities/functions that the Commission had performed during his tenure. All the Members wished him a healthy and peaceful retired life.

Member Secretary of the Committee expressed sincere thanks to GCCI for providing the venue for the meeting and other facilities. He also thanked the esteemed Members for attending the meeting and expressing their views/suggestions that are extremely valuable to the Commission.

The Meeting concluded with a vote of thanks to the Chair.



(P.S. Shah)  
Member Secretary, SAC &  
Secretary, GERC



List of Members who **were present in the** meeting of SAC on 17.2.2009

**Annexure I**

1. Dr. P.K.Mishra Chairman, GERC	In the Chair
2. Shri K.P.Gupta Member (F), GERC	Member
3. Dr. Man Mohan Member (T), GERC	Member
4. Mrs. Ela R. Bhatt Founder, SEWA	Member
5. Shivlal R.Barasiya Member, Rajkot Engineering Association (REA)	Member
6. Bavchand Dhameliya Gujarat Khedut Samaj(GKS), Bhavnagar.	Member
7. Jyotindra Patel Co-chairman, Infrastructure Committee (Power), GCCI	Member
8. N. Dinker Ex-Member, GEB, Vadodara.	Member
9. P.S. Meena Dy. Chief Electrical Engineer, Western Railway, Mumbai	Member
10 Akhil Mehrotra Convener —Energy panel. Confederation of Indian Industries (CII)	Member
11. Shri P.S. Shah Secretary, GERC	Member Secretary
12, Pravin R.Kansara Member, GCCI	-
13. Sudhanshu Gupta Executive — Energy panel. Confederation of Indian Industries (CII)	-

Other Officers of GCCI and GERC were also present.

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