



GUJARAT ELECTRICITY REGULATORY COMMISSION

Ahmedabad

Proceedings of the 1st Meeting of the
State Advisory Committee
held on 28th July, 2004

The meeting of the 1st State Advisory Committee was convened in the Board room of the Commission's Office at 11.30 a.m. on 28th July, 2004. Following members were attended the meeting.

1. Shri G.Subba Rao In Chair
2. Shri K.P.Gupta
3. Shri Man Mohan
4. Prof.Manubhai Shah
5. Shri Kanubhai Patel
6. Shri Atul Kapasi
7. Prof. P.R.Shukla
8. Dr.M.Ramamoorthy
9. Mrs.Ela R.Bhatt
10. Shri N.Dinkar
11. Shri G.D.Vyas, Member Secretary

The Chairman of the Commission, Shri G.Subba Rao presided over the meeting. He warmly welcomed the members of the Advisory Committee and apprised them of the important provisions of The Electricity Act, 2003 and The Gujarat Electricity Industry (Reorganisation & Regulation) Act, 2003. He said that the Indian Electricity Act, 1910, The Electricity (Supply) Act, 1948 and The Electricity Regulatory Commissions Act, 1998 have been repealed by the Parliament and the new Electricity Act of 2003 was passed. The new Act seeks to consolidate the laws relating to generation, transmission, distribution of electricity to promote measures, conducive to development of electricity industry, including competition & trading; to protect interests of consumers; to supply electricity to all areas; to rationalize electricity tariff to ensure transparent policies regarding subsidies,

etc. It has been made effective in the State of Gujarat from 6" December,2003.

A brief presentation was made by Shri Bhavesh Kundalia, Dy.Director of the Commission, covering objects of Advisory Committee in terms of section 81 of Electricity Act,2003 and section 41 of GEI (R&R). Reference was made to draft Concept Papers on Consumer Rights, Power Trading, Transmission Licensing, Distribution Licensing, Open Access, General Provisions of Licensing, and Multi Year Tariff Principles. A mention was made of the draft Regulations prepared by the Commission in consultation with M/s.SBI Capital which inter alia, include: Standard of Performance of Licensee, Establishment of Forum for Redressal of Grievances of Consumers, Establishment of Ombudsman for Rederessal of Grievances of Consumers, Power System Safety Standards, Trading Licence, Distribution Licence, Transmission Licence, Open Access, Power Procurement from Co-generation & Renewable sources by Distribution Licensee, and Terms and conditions of Tariff. Copies of these regulations are given to the members of the Advisory Committee. The members of the Committee were also apprised of the preparation of Draft Grid Code, Draft Power System Management & Operating Standards, Draft Distribution Code, and Draft Supply Code by the Commission.

General Discussion

ProfManubhai Shah mentioned that GEB was not taking safety measures to prevent human fatalities and referred to three such recent deaths. GEB has not paid any attention towards this area. It was mentioned by Dr.Ramamoorthy that different measures would be needed to address hazards from leakages in houses from domestic appliances and from cable breakages and other such events outside private premises. ProfManubhai Shah desired that the norms of accountability be evolved in this regard. He also pointed out that number of written petitions were pending before the Commission for disposal. The Chairman agreed to expedite hearings of pending petitions.

Shri Kanubhai Patel pointed out that the supply of electricity by GEB in rural areas remains very poor in almost all the seasons. GEB does not properly schedule its repairs and maintenance of power stations. The complainants are not treated properly by the Board.

Shri Kapasi pointed out that whenever the owner of a particular industrial unit changes, GEB should install a new meter so that there will not be any ambiguity in recording the

units, and the past problems, if any, can be settled with the past owner.

Shrimati Elaben Bhatt pointed out that certain people particularly slum dwellers who work in the cottage industries sector are compelled to carry out their work by resorting to illegal means. To regularize such illegal functioning, the utility should introduce a special scheme/ package to obviate problems of such women working in their homes. She suggested that while developing the electricity sector, the employment generation should be kept at the centre of planning.

Shri Dinkar was of the opinion that in spite of provisions in the Electricity Act, 2003 freeing generation from licensing, still the new power station promoters would have to approach the Board for getting connectivity to the Grid. He also drew attention to the article of Gajendra Haladia published in the Times of India, highlighting the need for proper regulation on the traders so that they sell the power at rates determined by concerned regulators.

Professor Shukla indicated that as many regulations need to be prepared by the Commission, priorities should be fixed for such regulations. He emphasized the need to determine the periods of power surplus and deficit in the State and also on proper forecasting of power demand. He suggested that inputs should be provided by various stakeholders for formulating the National Tariff Policy.

The Chairman mentioned that the Regulations were at an advanced stage of preparation. He invited suggestions of the members of the Advisory Committee on various policy issues now being debated. The Chairman informed the members that nearly 54% of Rural households who have access to power and that the Central Government is working on a Rural electrification programme to achieve significant coverage by 2012. He also apprised the members about the national plans for capacity addition including hydrogenation.

The meeting ended with a vote of thanks to the Chair.



SECRETARY