



GUJARAT ELECTRICITY REGULATORY COMMISSION

Ahmedabad

*Minutes of the 3rd Meeting of the State Advisory Committee
held on 30th August, 2005*

The meeting of the 3rd State Advisory Committee was held in the Conference room of the Commission at 11.30 a.m. on 30th August 2005. The following members were present in the meeting.

1. Shri G.Subba Rao In Chair
2. Shri K.P .Gupta Member (T)
3. Shri Man Mohan Member (F)
4. Prof Manubhal Shah CERS, Ahmedsbad
5. Dr:M.Ramamdorth ERDA, Vadodara
6. Shri N Dinkar, Vadodara
7. Mrs.Ela R.Bhatt SEWA, Ahmedabad
8. Shri Kanubhal Patel ICS
9. Shri P .S.Shah. Member Secretary

Special Invitees

1. Smt V .L.JoshiJAS, Chairman, GUVNL
2. Shri P.H. Member (Tech), GUVNL
3. Shri P .N. Gandhi Electrical Inspector
4. Smt Alpana.Dani Asst.Electrical Inspector

The Chairman warmly Welcomed the members of the State Advisory Committee and Special Invitees He also apprised them the current developments in the power sector with reference to unbundling of erstwhile GEB and the regulations notified by the Commission. While seeking their approval, to the minutes of the last meeting, the Chairman informed the members that the commission has received one comment from the .Gtkiaret 'StatioitSzna II Industries Federation for inclusion of a reference to encouragement to "Coal based or hydro-based power projects" in the state and would be incorporated in the minutes.

Thereafter, with the permission of the members, Shri. V. I. Joshi, Chairperson, GUVNI, briefed them by way of a detailed Power-point presentation, about the process of unbundling; its time frame and its benefits, She also highlighted incidentally the achievements of erstwhile GEB.

The presentation was highly informative. It gave an idea of major milestone achieved in Reform process along with the role of the new entities created in the process of restructuring the erstwhile GEB. It was explained that GLIVNII, would work as the Holding Company of all the entities with responsibility for subsidy and loan management. The presentation highlighted the Revenue enhancement achieved and improvement in cash collections over the past few years.

During the presentation, the Chairman inquired about the arrangements made by the Discoms for providing 24 hours power supply in rural areas for single phase connections. Shri. Rana, Member (T) informed that necessary arrangements had been made for providing 24 hours power even in remote areas and to farmers' houses in fields. Dr. R. Ramamoorti mentioned that since Government had given incentives in Kutch area, the industrial growth, and power demand had increased. As many steel units are being established and as such units have high reactive power demand they should be appropriately charged. Shri Dinkar stated that in Saurashtra and Kutch, expansion of network is under progress. Moreover, there are many long lines with inadequate load and with only seasonal load. During off- load position, there is problem of voltage variation and lines are required to make off. Such lines would compensate the reactive demand of industry during off- load conditions.

Prof. Manubhai. Shah informed that many of the consumers are using poor and inefficient motors and pumps; thereby increasing the electricity consumption. There must be a system of checking the apparatus of the consumers by the utilities and organizing an awareness programme among such consumers. Moreover, it would be an effective strategy to offer incentive scheme in the tariff itself for adopting/ encouraging energy efficient appliances by the consumers. It will benefit the consumers by reducing electricity bills and the utilities by saving a sizable energy. Shri. Joshi, informed lack of manpower and financial resources would constrain such schemes but added that they would consider an appropriate programme.

The Chairman meanwhile emphasized that efforts need to be made at all India level to reduce the price of the primary energy to bring down the cost of electricity. Some regulation on the above lines is required and such issues need to be discussed at the national level.

Shri Elaben Bhatt pointed out that in slum and backward areas people working with 0.5 HP motor sewing machines (as a part of poverty alleviation programme) are compelled to pay commercial tariff instead of residential tariff. She said that this issue was discussed in the last meeting and that a possible solution should be found. Prof. Manubhai Shah highlighted that under the Consumers Protection Act, poor individuals providing services and making a living out of it, are required to be treated as domestic consumers and not as commercial consumers. Chairman, GUVNL, asked Shri. Elaben to depute a representative to interact with Shri P.H. Rana for clarifying the matter and for finding out suitable options.

Thereafter, a power-point presentation was made by Shri Bhavesh Kundalia, Deputy Director (Finance) of the Commission. The presentation gave information about the Regulations framed and those at an advanced stage.

During the presentation, Chairman informed that while finalizing the Open access regulations, various parameters are to be taken into consideration, including competition & trading. Presently, it is being restricted to consumers with a minimum load of 5 MW but would be reduced to cover consumers with load of 1 MW. General Discussion.

Shri Kanubhai Patel mentioned that he had discussed the question of replacement of meters in the last meeting, but that no action had been taken. Chairman, GE WM, informed that things had changed and that the inflow of such complaints had drastically reduced.

Prof. Manubhai Shah informed that according to the National Policy and also under the Consumers' Protection Act, CERS should be awarded costs for presenting cases/ applications on behalf of the consumers. While the utilities can afford to engage advocates for pleading their cases by paying handsome fees, actual consumers are unable to bear such fees. The petitions filed by CERS are mostly in the interest of public in the nature of Public Interest Litigations, for securing compliance with the provisions of the Acts, Rules and Regulations. In such a situation, CERS should be awarded costs for the cases referred to the Commission. He mentioned that according to the Fees, Fines and Charges Regulations framed by the Commission, CERS is required to pay Rs. 5,000/- as fee for filing any petition. He further

mentioned that as CFAS has no major sources of income a suitable procedure should be worked out. Secretary mentioned that mma petition is filed in an individual capacity, the fee chargeable is Rs. 500 (petition by sell pleading individual consumer). Chairman mentioned that the matter will be considered in light of experience.

He also stressed the need for appointing judicial officers in the Appellate Authorities and added that not a single one out of 22 members has judicial or quasi- judicial experience or background. He expressed reservations over whether Electrical Inspectors or Asst. Electrical Inspectors could be expected to take an independent decision ageist state owned generating and/or distributing companies. I le suggested that GERC' should try to intervene in the matter.

The Secretary mentioned that the Electrical hispeciors, are gazetted officers. In addition, appointment has been made by the State Government and the Commission has no jurisdiction in the matter. Slid P.N. Gandhi, Electrical Inspector mentioned that Electrical Inspectors give their decisions after following due procedure of natural justice and in accordance with law Many a times on the basis of merit of the case, Electrical Inspector give decisions against the Government owned entities as well The Chairman mentioned that according to informal sources. Ministry of Power is examining changes in the set up for including non-official members in grievance redressal systems.

Thereafter the meeting ended with a vote of thanks to the chair. according to the rules framed by the Government of India. Ministry of Power, such appointment has been made by the State Government and the Commission has no jurisdiction in the matter. Slid P.N. Gandhi, Electrical Inspector mentioned that Flectrical Inspectors give their decisions after following due procedure of natural justice and in accordance with law Many a times on the basis of merit of the case, Electrical Inspector give decisions against the Government owned entities as well The Chairman mentioned that according to informal sources. Ministry of Power is examining changes in the set up for including non-official members in grievance redressal systems.

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