

# GUJARAT ELECTRICITY REGULATORY COMMISSION

Ahmedabad

## Minutes of the 4<sup>th</sup> Meeting of the

### State Advisory Committee held on 6<sup>th</sup> July, 2006

The meeting of the 10 State Advisory Committee was held in the Conference room of the Commission at 11.30 a.m. on 6<sup>th</sup> July, 2006.

The following members were present in the meeting.

1) Shri G.Subba Rao	In Chair
2) Shri K.P .Gupta	Member (F)
3) Shri Man Mohan	Member (T) CERS,
4) Prof.Manubhal Shah	Ahmedabad
5) Mrs.Ela R.Bhatt	SEWA, Ahmedabad
6) Shri N Dinkar	Vadodara
7) Shri S.M. Rungta	Gujarat Chamber of Commerce & Industry
8) Shri Atul Kapasi	Gujarat State Small Industries Federation
9) Shri Dipesh Shah	Confederation of Indian Industry
10)Shri Kanubhal Patel	Bharatiya Kisan Sangh
11)Shri Lalchand Dhameliya	Gujarat Khedut Samaj

The Chairman warmly welcomed the members of the State Advisory Committee. Thereafter, Agenda Item No. 1 - Approval of minutes of the last meeting was taken up. Shri N. Dinkar drew attention to a typographical error whereby the name of Shri **P.H.** Rana, was mentioned as Member (T) instead of Director (Technical) of Gujarat

Urja Vikas Nigam Limited. The Chairman mentioned that the typographical error would be corrected and with that modification, the minutes of the last meeting were approved.

## **Akenda No. 2**

### **Open General Discussion**

The Chairman invited the members' to give suggestions and views. In response, following points were highlighted by the members. Shri N. Dinkar suggested that the meetings of the Advisory Committee should be convened more frequently. He suggested that the meetings could preferably be arranged on quarterly basis. The Chairman clarified that the current meeting could not be held earlier since the Commission was otherwise busy with pressing and time bound matters, and agreed to the suggestion. It was decided that the next meeting of the Advisory Committee would be called in the first week of November, 2006

Referring to the discussion in the last meeting regarding incentives for energy efficient appliances, Shri N. Dinkar, mentioned that effective measures should be taken to avoid inefficient use of energy in pumping devices. He stressed the need to initiate a consumer awareness drive highlighting the benefits of efficient pumping. At this point, Prof. Manubhai Shah informed that AEC had surveyed all the high rise buildings of Ahmedabad city to study the efficiency of water pumping. This study was very useful in identifying inefficient pumping and the Housing Societies benefited from the study and were able to effect savings by shifting to efficient pumping. He

suggested that a similar exercise should be carried out for the whole state. The Chairman agreed with the suggestion and he added that a paper could be prepared highlighting the need for efficient pumping and the measures (including tariff incentives) through which it could be achieved. Shri Kanubhai Patel mentioned that he had submitted a brochure on efficient pumping. The Chairman mentioned that it was sent to Gujarat Urja Vikas Nigam for necessary action.

Smt. Elaben Bhatt raised the issue of charging of commercial rate by Torrent Power AEC Ltd. from the self-employed women who carry on sewing activity by installing small motors on their sewing machines. She reiterated that commercial tariff should not be levied for such use and that only residential tariff should be applied. Chairman inquired as to the number of women affected by levy of commercial tariff. It was felt that a rapid survey should be carried out to arrive at the impact of such a change in of tariff.

Prof. Manubhai Shah mentioned that the National level consumer forum had already ruled that for a person carrying out such activity at his residence for earning a living only residential tariff should be applied.

Shri Kanubhai Patel mentioned that in the tariff order for GEB it is mentioned that where such commercial activity is carried out in the residential premises in villages with population of less than 10,000, residential tariff should be applied. He was of the view that the limit of 10,000 should be increased to 15,000 in line with the Panchayat Act, to cover more villages in these scheme. It was felt that this point could be raised, during the next tariff determination process. Shri Kanubhai Patel requested that the issue could be taken up before the next tariff determination process (expected around November, 2006). Shri K.P Gupta Member (F) mentioned that a meeting could be arranged to discuss the issue further.

Shri Atul Kapasi stressed the need of having Gujarati Version of Regulations prepared by the Commission. He was informed that, the Gujarati Version of all the Regulations prepared by the Commission is available. He further mentioned that the industry is feeling the negative impact of removal of power factor rebate by the Commission's Tariff Order. He mentioned that in the absence of requisite incentive to maintain higher power factor, power factor above 0.90 will not be maintained, and would be harmful to the electricity sector as a whole. Replying Shri K.P. Gupta mentioned that withdrawal of power factor rebate was debated at length during hearing of the Tariff Petition. It was inter alia argued that the rebate is not a part of tariff. As such the Discoms had proposed its withdrawal. The Chairman suggested that the Association also could take up the matter with GUVNL.

Shri Manubhai Shah drew the attention of the Commission to joint inspection of the meters carried out by CERS and TPAEC. He emphasized that it had inspired confidence amongst the consumers. He felt it necessary to have similar arrangement of joint inspection of meters in other Discoms of the state.

Smt. Ilaben Bhatt inquired about the term of the Advisory Committee. She was informed that the term of the existing advisory committee is coming to an end and that the process of its reconstitution is under way.

Prof. Manubhai Shah mentioned that in cases involving alleged theft of power the Torrent Power AEC is forcing the consumers to sign the settlement agreement under threat of disconnection of power. He further mentioned that to avoid the disconnection, the consumers are signing such unilateral settlement agreements paying huge amounts. CERC has questioned the unjust and unfair practice in an appropriate forum. He was of the opinion that there should be a mechanism to establish whether or not the consumer had actually committed theft of electricity. Prof. Manubhai Shah further mentioned that he was a member of AEC appellate Committee to inquire into theft cases. The working of the committee was helpful to the Consumers. He was of the opinion that such committees should have been continued.

It Was brought out that, there is no provision in the Electricity Act, 2003 for constituting such committees. It is however open to the Discoms to create any additional mechanisms for addressing consumer grievances.

Shri Dipesh Shah representing CII mentioned about the Special Energy Meters to be installed by the Captive Power Plant on implementation of Intra State ABT. He also made a mention of withdrawal of Power Factor Rebate in the recent tariff order given by the Commission.

Agenda Item No. 3

Shri Rakesh Shah, Deputy Director of the Commission informed the Committee about the important Regulations framed by the Commission since the last meeting of the Advisory Committee.

**Agenda Item No. 4**

Shri Rakesh Shah Deputy Director made a brief presentation on the draft order of the Commission on intra-state ABT mechanism in the State. His presentation also covered the highlights of the Discussion paper floated by the Commission for determination of purchase price payable by the Distribution Licensees for purchase of wind power.

Printed copies of the presentations were provided to all the Members. The members appreciated the presentation on the developments taking place in the State Electricity Sector.

Thereafter the meeting ended with a votploff thanks to the Chair.

**SECRETARY  
GUJARAT ELECTRICITY  
REGULATORY COMMISSION**