

Minutes of the Seventh Meeting of the State Advisory Committee held on 7th October 2008 at 11.00 A.M. in the conference hall of GERC, Ahmedabad.

The list of the Members present in the meeting is annexed (Annr-xurP-I)

Shri M.N. Khalyani, Dy Director (A&A) on behalf of the Commission warmly welcomed the Members. Members welcomed the new Chairman, Dr P.K. Mishra.

Dr Mishra in his introductory speech welcomed the Members again and apprised them of the important steps taken by the Commission after the last meeting of the State Advisory Committee. Chairman gave a detailed picture of the power scenario of Gujarat. Though the power condition in our State is better than in other States, the power sector is extremely critical now for our economy. There is a gap between demand and supply. A high rate of growth of GDP of about 9% results in much higher demand of power. He said that the present installed capacity of the State is 9804 MW. It is envisaged that new projects (for which MOUs are already signed) will add 15420 MW with approximate investment of Rs. 70070 crore by the end of 2012.

He requested the Members to give their valuable suggestions to improve the functioning of the Commission. He also stated the necessity of conducting meetings regularly and indicated that the next meeting of the State Advisory Committee would be held in 3-4 months. Agenda items were discussed.

Agenda Item No.

Approval of the minutes of the Sixth meeting of the State Advisory Committee held on 18th December 2007.

The Sixth meeting of the Advisory Committee was held on 18th December 2007. Minutes of the meeting were sent to all the Members vide letter No. GERC/SEC/2008 dated 11.6.2008. Mr Bajaj pointed out the delay in sending the minutes. The Chairman assured that the minutes would be sent quickly. Thereafter the minutes were approved.

Item No. 2

Action Points of the Sixth Meeting of the State Advisory Committee.

B(a)(i) **Item No. 6(3)**

Shri K.K. Bajaj had raised issue regarding agricultural metering. Agricultural metering is a very vital and sensitive issue. The Commission is seized of the matter and propose to coordinate with the agencies concerned including the Government regarding this issue. The Commission has already written a letter to the Government to obtain their views on this issue. A copy of the letter was circulated to all Members. The latest position was given. It has gone up in case of transformer metering - MGVCL at 54.8% whereas PGVCL is the lowest at 6.8% As regards consumer metering, MGVCL is the highest at 55.9% and UGVCL is lower at 27%.

inviting suggestions and objections from stakeholders.
Commission is in receipt of suggestion from five agencies.

The main issues raised by the stakeholders are as follows :

- Latest data should be considered for cost of service study (instead of FY 2005-06).
- Agricultural consumption assessment should be based on sample data on meter reading.
- Separate study required for each distribution licensee.
- Allocation of T&D losses.

Commission would finalise the road map for reduction in cross subsidy in due course.

Item No. 3 MYT

Petitions.

The Commission issued MYT Regulations in December 2007 as discussed in the previous meeting of the State Advisory Committee. The TPL filed its MYT Petition for the first control period F.Y 2008-09 to 2010-11 in the month of May 2008. Objections and suggestions were invited by giving public notice. The period of the public notice was extended considering the requests of the consumers organizations and other institutions. The Commission has completed public hearings on the objections and suggestions received. The Commission is now examining the suggestions and objections and analyzing the data with the

assistance of the Administrative Staff College of India, Hyderabad as its consultant,

Similarly, the unbundled utilities i.e. GETCO, PGVCL, UGVCL, DGVCL, MGVCL and GSEC have also filed their MYT petitions on 14.8.2008 for the control period 2008-11. The Commission has invited objections and suggestions for which the time limit was 22.9.2008. However, on the request of various stakeholders, the Commission has extended the last date for submission of objections and suggestions upto 13.10.2008. Copies of the MYT petitions of these companies are available on the website of the Commission and also on the website of the companies concerned. Considering the requests of the consumer organizations, cost of copy of such petitions has been reduced to Rs. 150/-.

Item No. 4.

Recent activities/orders/notifications.

The committee was appraised by the Dy Director (Tech-II) Mr Dharmendra Parmar regarding recent activities/ orders/ notifications.

He gave details regarding solar power/renewal of PPA/safety aspects (earth terminal)/ SOP etc.

Regarding earth terminal Shri Bajaj mentioned about the petition filed by CERS and requested for early disposal of the same. Chairman informed that the issue would be taken up expeditiously.

The copy of the order no. 1 of 2008 dated 11/4/2008 regarding Security Deposit was circulated amongst the members. Moreover, he (2,2vP riPtailc regarding the following.

- (i) The Commission had issued the Removal of difficulties order in Security Deposit Regulations on 11.4.2008. This order has been issued to remove difficulties of the consumers after considering the requests of various stakeholders.
- (ii) With a view to promoting solar power generation in the State, the Commission had already invited objections and suggestions through a "Discussion Paper on Tariff for Demonstration Solar Power Plants connected with Grid" in accordance with Policy of the Ministry of New and Renewable Energy, Government of India.
- (iii) The Commission has received comments and suggestions on the discussion paper for Grid connected Solar Power Plants. It is planned to finalise the tariff before end of the next month i.e. November 2008. This will help the prospective investors of Solar Plants in the State of Gujarat and thereby encouraging new source of electric energy in the State.

Item No. 5

SOP Regulations — compilation of reports.

The Commission has received reports from various utilities for the year 2007-08 and for the first quarter of F.Y. 2008-09. Copies of

the reports are circulated for perusal of the Members. These reports are also available on the website of the Commission.

Energy Efficient Pump

Recently Government of Gujarat has issued a circular regarding pilot project for energy efficient motor for which 75% subsidy will be given by Government and 25% by utility and the rest 50% is to be paid by the consumer. The scheme is implemented in five Talukas - Surendranagar District (Halvad), Banaskantha District (Kankrej), Mehsana District (Vijapur), Gandhinagar District (Mansa) and Amreli District (Amreli)

Shri Dinkar and Mr Singh from ERDA gave their valuable suggestions. Shri Bavchandbhai pointed out that if power supply quality in agriculture is maintained, then it will be useful. At present farmers are using ISI pumps only. Shri Dinkar pointed out that the pilot project's progress is not satisfactory and more awareness regarding the scheme among the consumers are required.

Some Members raised a question about security deposit. Dy Director (Tech-II) explained the GERC Regulation regarding security deposit.

Issue of transformer charges was also discussed. It was pointed out that transformer charges are borne mostly by the consumer (applicant) who comes forward for getting electric connection from

particular transformer in the beginning. Those who come later do not have to pay. This is iniquitous.

Members were apprised regarding regulation of GERC for proportionate charges of transformer.

Item No. 6

Working of Ombudsman/Forum

The reports of the consumer Forums for the last two quarters of 2007-08 and the first quarter of 2008-09 are circulated with the Agenda Notes. Members desired that working of Forum should be in true spirit. They should stick to the time limit of 45 days.

Chairman observed that the Commission will convene a meeting of Forum Members to discuss the issue. The report of the Ombudsman was discussed in the meeting.

Item No. 7

Letters received from the Members

The Commission has received two letters from (1) Mr K.K. Bajaj, CERS and (2) Shri Bavchandbhai Dhameliya, Acting President, Gujarat Khedut Samaj, Sardar Smriti, Bhavnagar. The said letters were circulated to the Members.

Shri Bajaj has raised the following 6 points.

- 1: New Regulations as per Section 65 of Electricity Act 2003
2. Power deficit in Gujarat
3. SOP data on Web Site
4. Performance monitoring of utilities
5. Violation of Rules and Regulations
6. Metering in Agricultural Sector.

Out of the above, points no. 2 to 6 have already been discussed. Mr Bajaj suggested that there must be a Regulation under Section 65 of the Electricity Act, 2003. He mentioned that KERC has issued a Regulation for subsidy. The Chairman suggested that the Commission would examine the issue and if necessary a Regulation under Section 65 of the Electricity Act, 2003 would be framed.

Shri Bavchandbhai has raised 3 issues.

- 1 Shri Bavchandbhai stated that farmers are worst sufferer because of the inconsistent power supply by the utilities. At present, the utilities are not allowing farmers to use their pump-sets at different locations within the contracted load. Earlier, they were allowed to use multiple pump-sets at different locations within their contracted load.
- 2 Shri Bavachandbhai mentioned that there are difficulties of electrification of rural residential schools in respect of category of tariff, for giving connections etc. When he was asked for specific example, he gave example of Bela village of Gariyadhar Taluka, Bhavnagar District.

- 3 He also requested the Commission to do justice where pro-rata charges are not taken care of while recovering the to bear the brunt whereas the subsequent customer gets it free of cost. Such anomaly should not be allowed and necessary initiative be taken by the Commission.

Chairman observed that the issues would be brought to the notice of utilities in the next day meeting (8th October 2008) of the Co-ordination Forum.

The meeting was concluded with a vote of thanks to the Chair.



SECRETARY

Annexure-i

List of Members present in the meeting

1	Shri P.K. Mishra	In Chair
2	Shri K.P. Gupta	Member (F), GERC
3	Shri Man Mohan	Member (T), GERC
4	Shri K.K. Bajaj	CERS
5	Shri N Dinker	Individual
6	Shri A.K. Singh	ERDA
7	Shri Bavchand Dhamelia	Gujarat Khedut Samaj
8	Shri Jyotindra Patel	Gujarat Chamber of Commerce & Industry
9	Shri Shivlal L Barasiya	Rajkot Engineering Industries Association
10	Shri Krishnan Iyer	Gujarat Gas For Shri Shaleen Shukla, CII/ Shri Akhil Mehrotra (GGCL)