

Minutes of the 8th meeting of the Co-ordination forum held on 02.04.2011 in the Conference Room, Gujarat Energy Training & Research Institute (GETRI), Vadodara.

The following Members and other officers were present in the meeting:

Sr. No.	Name
1.	Dr. P.K.Mishra, Chairman Gujarat Electricity Regulatory Commission
2.	Shri Pravinbhai Patel, Member(T), Gujarat Electricity Regulatory Commission
3.	Dr.M.K.Iyer, Member(F), Gujarat Electricity Regulatory Commission
4.	Dr. Ketan Shukla, Secretary, Gujarat Electricity Regulatory Commission
5.	Shri L.Chaungo, Managing Director, Gujarat Urja Vikas Nigam Limited
6	Shri S.K.Negi Managing Director, Gujarat Energy Transmission Co. Ltd.
7	Shri P.H.Rana, Managing Director, Gujarat State Electricity Corporation Ltd.
8	Shri S.B.Raval, Managing Director, Paschim Gujarat Vij Co. Ltd.
9	Shri A.N.Khatri, Managing Director, Madhya Gujarat Vij Co.Ltd.
10	Shri A.K.Verma, Managing Director, Uttar Gujarat Vij Co. Ltd.
11	Shri A.K.Kaul, Managing Director, Dakshin Gujarat Vij Co. Ltd.
12	Shri P.L.Panchal, Deputy Secretary, Energy & Petrochemicals Department
13	Shri B.N.Raval, Chief Electrical Inspector, Office of the Chief Electrical Inspector
14	Shri Dinesh Patel, Vice President (Co-ordi.) Gujarat Urja Vikas Nigam Limited
15	Shri S.B.Khyalia, Executive Director(F), Gujarat Urja Vikas Nigam Limited
16	Shri Sharad Patil, Senior Executive, Gujarat Energy Development Agency
17	Shri Jagrut Vyas, Executive Director, Torrent Power Ltd.,Surat
18	Shri T.S.Bhatt, Sr.Vice President, Essar Power Limited
19	Representative from Torrent Power Ltd., Ahmedabad
20	Representative from Kandla Port Trust
21	Shri Vipul Jadav, Adani Power Ltd.,
22	Shri Shantanu Dixit, Prayas Energy Group, Pune
23	Shri M.N.Khalyani, Deputy Director, GERC
24	Shri S.R.Pandey, Legal Advisor, GERC
25	Shri S.T.Anada, Deputy Director, GERC
26	Shri G.H.Patel, Deputy Director, GERC
27	Shri Kashyap Parikh, Executive (Admn.), GERC

Secretary, GERC in his welcome speech, thanked MD, GUVNL and his team for giving co-operation to GERC in organizing the meeting for the first time outside the headquarters of GERC i.e. at Vadodara for understanding the functioning of various utilities of Power Sector and meeting with industrial organizations in a better way.

Managing Director, GUVNL also welcomed Chairman, Member (T), Member (F) and Secretary, GERC. In his introductory speech, MD, GUVNL sincerely thanked, Chairman, GERC for giving them opportunity to host the Forum meeting outside Ahmedabad and presented a brief scenario of how GUJARAT has been looked upon as a leader in respect of many activities in terms of reforms and initiatives undertaken for emerging as a surplus state in the country. He gave full credit to the Government leadership for promoting reforms in power sector.

The Chairman, GERC in his opening address welcomed the members of the forum and the Pune based NGO "PRAYAS" who are working in the power sector. He specially mentioned about the book "Know Your Power" published by "PRAYAS" which is in very simple language and explains to layman the fundamental of Electricity. This book is very useful for organizations and utilities associated with power sector.

Chairman, GERC mentioned that during the last year i.e. in 2010, all the utilities had filed, their petitions in time, and the commission was able to issue all the tariff orders by 31st march 2010. Thus the Commission could achieve the mandate of issuance of tariff orders well in time i.e. before commencement of new financial year.

This year, GSECL, GETCO, SLDC, and at a later date TPL, KPT and MPSEZ have filed their MYT petitions. Out of these the Commission has issued MYT order comprising Truing up of FY 2009-10, APR for FY 2010-11, ARR for the second control period of FY 2011-16 and tariff orders for FY 2011-12 for GETCO and SLDC on 31-3-2011. The Chairman instructed all the state owned distribution companies to file their MYT petitions at the earliest.

Then the Agenda Items were taken up for detailed discussion.

1.) Approval of the minutes of 7th Meeting of the Co-ordination Forum held on 22nd November, 2010.

The minutes of the 7th Meeting of the Co-ordination Forum held on 22nd November, 2010 had been sent to all the members. Since no comments were received from any of the members, the minutes were approved.

2.) Action Taken Report on the minutes of 7th Meeting of the Co-ordination Forum

- (1) TPL & PGVCL submitted the Annual SOP Report. Others were instructed to submit the report at the earliest.

(2) The Commission has issued MYT order comprising Truing up of FY 2009-10, APR for FY 2010-11, ARR for the second control period of FY 2011-16 and tariff orders for FY 2011-12 for GETCO and SLDC on 31-3-2011.

(3) TPL made a presentation on various safety measures in Electricity Industry.

3.) Study Report on Merit Order Dispatch Operations performed by SLDC/ GUVNL during FY 2009-10

The forum was informed that in the past, CERC had expressed concern about violation of merit order dispatch by SLDC/GUVNL. The commission, therefore, decided to carry out a study on observance of merit order dispatch principles and engaged Shri. Tapan Chatterjee , Retd. Chief Engineer, CEA as consultant to carry out the study and explore possibilities of improvement in prevailing practices.

Recommendations made by the consultant were brought out in the agenda notes. Copy of the report was also forwarded to GUVNL/ SLDC for their comments. Chairman requested GUVNL to expedite their comments. It was intimated by ED (F), GUVNL that one of the recommendations regarding transparency in technical minimum requirement, was already implemented and the same has been posted on the SLDC Website

4.) Model Regulations on Demand Side Management

On Model Regulations on Demand Side Management (DSM), Commission informed that the Chief Electrical Inspector has worked on subject. This issue has been discussed from time to time, but the Commission has not received any comments so far. MD, UGVCL told that they would require some time to study the model regulations on DSM. DISCOMs are working on DSM and will take one month to complete the exercise. Chairman, GERC observed that the model regulations were circulated three months back and requested that the feedback should be submitted within one month. MD, UGVCL told that peak demand has been reducing and energy consumption is increasing. Chairman suggested that more could be done in respect of the consumers. There is still some scope for improvement. Mr.Vyas of TPL emphasized on the availability of energy efficient equipments and prohibition of non-standard equipment. Chairman, GERC suggested that some pilot schemes should be taken up which would give better understanding of this problem. Director (Technical) GUVNL informed that star rated transformers are being purchased. Representative from PRAYAS informed that details have been worked out by BEE to encourage manufacturers to produce super critical energy efficient equipments.

5.) MYT Regulations

Chairman informed that MYT Regulations 2011 have been notified on 22nd March 2011.

6.) Status of Determination of Open Access Surcharge

The Commission has already examined the provisions of the National Electricity Policy and Electricity Act -2003 in respect of open access in distribution and transmission and fixed reasonable cross-subsidy surcharge of Rs. 0.51/kwh. MD GUVNL said that the present cross subsidy surcharge of 0.51/kwh is reasonable enough for consumers to opt for open access and any further reduction thereon will cause undue burden on utilities.

7.) Renewable Energy and Renewable Energy Certificate

The Commission informed the members that the mechanism of Renewable Energy Certificate is operational and the arrangement has been made for registration and accreditation of REC by the nodal agency GEDA. REC mechanism has been operationalized from 18.11.2010. In the state four projects have already been registered for REC and accredited out of 18 applications received by GEDA. The remaining applications are under scrutiny. It was further informed that a total 532 other than solar REC had been issued upto March-2011. Trading of REC started in the energy exchanges. Executive Director (fin) informed that they have executed power purchase agreements for procurement of power injected from RE projects registered under REC scheme @ RS. 2.60/unit (at average power purchase contract). The period of such purchase is for 10 year which provides freedom to the project developer to switch over after 10 years, if better option of tariff is available to them.

8.) Standard of Performance (SoP)

Chairman, GERC expressed concern over large number of fatal accidents; both human and animal .He also reiterated that a Public Campaign has to be organized by various stake holders. He also drew the attention on the large difference between Q-II & Q-III reports of UGVCL. There were suggestions that seasonal effects should be examined to reduce fatal accidents. MD, UGVCL pointed out that fatal accidents were happening mainly in the premises of consumers due to lack of awareness and reasons beyond the control of the utility. Chairman, GERC informed that GUVNL should present an analysis of these two Quarters in respect of fatal accidents; both animal & human and compare with UGVCL-PGVCL report. The Commission is of the opinion that The Chief Electrical Inspector & GUVNL should give a combined report on the above one month before the next meeting.

9.) Draft Regulation for Open Access

The Commission has received comments on the Draft Regulations, and will finalize these Regulations shortly.

10.) Presentation of “Prayas” on “Electricity for All”

Prayas made a presentation before the members and outlined various important aspects of the National Electricity Policy and Electricity Act -2003. According to them, charges of connection should be reduced to provide electricity access to small consumers in the country. They gave an example of West Bengal where connection charges have been reduced drastically from Rs. 2500 to Rs. 250. They also noted that charges both in terms of tariff and connection should be reduced. They presented the following suggestions:

- Top priority need to be given to make power supply affordable to poor people and in this direction mooted an idea of UMPP for poor people.
- There must be a rationale and transparency in deciding the load shedding hours and advertise the same for public notice.
- (ESMI)Electricity Supply monitoring initiative should be introduced so that the consumers get reliable and quality power supply
- Third party Audits for DISCOMs metering & Billing should be conducted to ensure transparent metering & Billing process.
- Spread awareness about Grievance Redressal Mechanism.

Chairman GERC and other members of the forum appreciated the presentation and complimented PRAYAS for their pioneering and thought provoking work.

11.) Safety in the Electricity Industry

Torrent Power Limited made a Presentation on safety in the Electricity Industry covering following issues:

- Main hurdles in the safety to reduce accidents.
- TPL has projected additional requirement of 400 to 500 MW of power for Ahmedabad and Surat by the year 2030
- To minimize the accidents, underground cables are used in Ahmedabad and Surat.
- TPL suggested that there should be co-ordination among utilities, local bodies and various government agencies.

During the discussion MD GETCO and MD UGVCL opined that strict measures are required to deal with encroachments near the existing network of utilities. Chairman GERC expressed that most of the issues are governance issues, which need to be looked into in consultation with state/central Governments because of involvement of various authorities

such as telecom, Gas suppliers and Municipalities. A committee was constituted comprising of Shri D.S. Doshi, ACE, UGVCL, Shri Y.P Dholakia, TPL and Shri S.R Pandey, Legal Advisor GERC to prepare a background paper on the issue. The Committee shall submit its report within 30 days.

12.) Power Sector Scenario

Executive Director (finance), GUVNL and Senior Executive, GEDA made presentations on the Power Sector Scenario and Renewable Energy projects.

The meeting was concluded with a **Vote of Thanks** to the chair.