

**GUJARAT ELECTRICITY REGULATORY COMMISSION**  
**Ahmedabad**

**Minutes of the 14<sup>th</sup> Meeting of the State Advisory Committee held on 26<sup>th</sup> November,2011**

The 14<sup>th</sup> Meeting of the State Advisory Committee was held at VIP Guest House, GEB Colony, Thermal Power Station, Gandhinagar on 26<sup>th</sup> November,2011.

Following members were attended the meeting.

<b>Sr.No.</b>	<b>Name</b>
1.	Dr.P.K.Mishra, Chairman, GERC
2.	Shri Pravinbhai Patel, Member(T), GERC
3.	Dr.M.K.Iyer, Member(F), GERC
4.	Dr.Ketan Shukla,IFS, Secretary, GERC
5.	Shri V.T.Rajpara, Ombudsman
6.	Shri Maganbhai Patel, Bhartiya Kisan Sangh
7.	Shri Bavchandbhai Dhamelia, Gujarat Khedut Samaj.
8.	Mrs.Elaben Bhatt, Chairperson, SEWA
9.	Shri N.Dinkar, Member, Vadodara.
10.	Shri Kirtibhai Amin, Member, Advisory Committee, CERC.
11.	Shri P.N.Gandhi, Chief Electrical Inspector
12.	Shri D.R.Shah, GUVNL
13.	Shri J.B.Parekh, ACE, PGVCL
14.	Shri C.L.Sharma, CE (Op), UGVCL
15.	Shri I.I.Patel, CE, DGVCL
16.	Shri S.M.Gadkhindi, CE, MGVCL
17.	Shri J.N.Pancholi, GETCO
18.	Shri P.A.Patel, GETCO, SLDC
19.	Shri M.B.Kaka, GSECL
20.	Shri K.P.Jangid, GM (Com.), GUVNL
21.	Shri Amit Sachan, GETCO.
22.	Shri Y.B.Sukhadia, ACE (R&C), MGVCL
23.	Shri B.V.Shah, DGVCL
24.	Shri R.P.Raval, EE, UGVCL
25.	Shri D.S.Doshi, UGVCL
26.	Shri J.J.Gandhi, PGVCL
27.	Mrs.A.S.Dani, CEI office, G'nagar.
28.	Section Officer/ K-1, Energy & Petrochemicals Deptt., Gandhinagar.
29.	Dr.Omkar Jani, GERMI.

The Secretary of the Commission, Dr.Ketan Shukla, warmly welcomed the members of the State Advisory Committee and other participants. He also informed that one of the Committees Member Smt.Ilaben Bhatt has been recently conferred the Indira Gandhi International Peace Award by the Government of India. Chairman also welcomed the members and congratulated Smt.Ilaben Bhatt for achieving the highest honour.

**Item No.1:** Approval of the minutes of the 13<sup>th</sup> Meeting of the State Advisory Committee (SAC) held on 27<sup>th</sup> May,2011 at Vadodara.

Minutes of the 13<sup>th</sup> meeting of the SAC were circulated to the members and as no comments had been received, the minutes of the last meeting were confirmed.

**Item No.2:** Action Taken report on the minutes of the 13<sup>th</sup> meeting of the State Advisory Committee.

- (i) Item 2 of the 13<sup>th</sup> meeting of the State Advisory Committee dated 27<sup>th</sup> May,2011 relating to web-based scheduling by SLDC was discussed in details. In compliance of the same, SLDC vide letter dated 4<sup>th</sup> June,2011 submitted a roadmap of IT projects for FY 2011-12 and proposed capital expenditure submitted to the Commission for augmentation and upgradation of the existing system and strengthening of the communication channel with necessary IT infrastructure proposed to be created. The SLDC has informed that some of the projects mentioned above have been completed.
- (ii) It was further decided in the last meeting that GUVNL shall frame a proper compensation scheme in case of crop damage due to line fault in consultation with the State Government. It is observed that the GUVNL has not submitted the report and in its absence, there can be no discussion on the report. However, Chairman observed that GUVNL should submit a detailed report consisting of number of cases detected for crop damage due to line fault during the last five years, the compensation paid by the GUVNL, methodology adopted for evaluation of the compensation and norms, if any, decided to evaluate the compensation so that there is no discrimination among the customers who suffer loss due to crop damage. The Chairman directed GUVNL to submit its report within one month clarifying the above aspects.

Mr.Sharma, CE, UGVCL, briefed the members about the third party insurance taken by UGVCL. He informed that some of the complainants of crop damage arise due to spark in electricity network. UGVCL has raised claims before the Insurance company where UGVCL has taken such insurance cover.

Chairman instructed CE, UGVCL to take urgent follow-up action on the seven cases with the insurance company and appraise the outcome to the members in the next meeting. It was decided that all the Discoms should take similar insurance to protect the farmers against financial loss occurring on account of electricity network. It was also decided that wide publicity of the insurance scheme be made to ensure awareness of farmers in this regard.

- (iii) With reference to item No.3(3) of the 13<sup>th</sup> Meeting of SAC, a committee was set up under the Ombudsman to verify the rationale of the CEI circular of 1999. The State Advisory Committee observed that the committee was required to submit the report by 26.6.2011. However, the same is not submitted by the Committee. Chairman asked CEI to finalise the committee report. In response to the same, CEI submitted that he had not gone through the draft report and requires 15 days' time to study and finalize the same. The Chairman directed CEI to submit the report within 15 days' time.

Members of the SAC felt that the matter was discussed at length during the earlier meetings of the Committee and hence, it is high time to resolve the issue in the interest of the agricultural consumers. Chairman directed that a meeting be held under the chairmanship of Member(T), GERC on 2<sup>nd</sup> December,2011 at 3.00 PM at the Commission's conference room to discuss various issues involved. It was also decided that the meeting will be attended by Shri V.T.Rajpara, Ombudsman, Shri Maganbhai Patel, Shri Kirtibhai Patel, Shri Bhavchandbhai, and representatives of GUVNL and Distribution licensees.

- (iv) As far as item No.6 of the 13<sup>th</sup> Meeting of SAC is concerned, the Commission observed that the issue regarding power factor rebate vis-à-vis penalty has been

considered by the Commission during the MYT Tariff petitions decided by it. Hence, there is no merit in the submission made by the parties in this regard.

- (v) With regard to item 12 of the 13<sup>th</sup> Meeting, it was decided that GUVNL should submit its report pertaining to compilation of the various circulars relating to issuance of new agriculture connections/ shifting of agriculture connections etc. to the Commission. Chairman asked GUVNL to submit its report in a month's time.

**Item No.3: Model Regulations on Demand Side Management**

The Forum of Regulators had prepared Model regulations on Demand Side Management. The said regulation was circulated among the utilities for their comments and suggestions. A meeting was also held at the Commission's office to incorporate various changes in the said Regulations so that it will become suitable and useful for the consumers and utilities of Gujarat. The final Draft Regulations based on the suggestions of the utilities is under consideration of the Commission. The Commission appraised that the Demand Side Management is an emerging field and it will be helpful for optimum use of the resources.

**Item No.4: Highlights of Tariff Order**

Chairman apprised the SAC on the MYT orders for 2011-12 to FY 2015-16. He also stated that in the tariff category, the Commission has made certain changes which consist of rationalization of tariffs for commercial and industrial establishments. He also observed that Gujarat is the first state in the country to rationalize the tariff on commercial services and industrial consumers with consideration of the growing impact of the service sector on economic development. Members of the SAC appreciated the Commission's decision to implement the principle of "One premise – One Meter" and expressed that it will go a long way in reducing the conflicts between the consumers and the licensees.

**Item No.5: Discussion paper on Solar Tariff for the next control period**

Chairman apprised that GERC is the first SERC to issue a separate tariff order for determination of tariff on solar based energy. He further informed that the Commission has now issued a

discussion paper for determination of tariff for solar power projects for the 2<sup>nd</sup> control period which will begin from 29.1.2011 for a period of 3 years. The same is kept on the website of the Commission for inviting comments and suggestions from the stakeholders. He apprised that the levelised tariff which was Rs.12.54 per unit for the first control period is now proposed to be reduced at Rs.10.27 per unit in case of Solar photovoltaic based projects which are receiving accelerated depreciation benefits. He also informed that for solar rooftop projects, a separate tariff is proposed by the Commission. Shri Omkar Jani from GERMI informed that the solar rooftop projects must be not less than 1 KW capacity. He further said that the solar energy based projects can be utilized by the agricultural sector as such plants do not require maintenance for 25 years and has capacity to supply power upto 50 HP load. He further said that Ministry of New and Renewable Energy sources (MNRE) has formulated a Policy for promotion of the solar based grid and off-grid power projects.

**Item No.6: Standard of Performance (SoP)**

The SoP report of the licensees for Quarter 1 of FY 2011-12 was discussed by the members of the SAC. During discussion, the following important issues were made:

- 1) CE, MGVCL informed that MGVCL has prepared a booklet viz. Sampark Pathrika which consists of the details pertaining to safety aspects, procedure for new connections, revision in contract demand etc. based on the various Regulations framed by the Commission. The above booklet is being dispatched along with the bill to the consumers which will be helpful to them to update the various important aspects pertaining to safety as well as their rights and duties as a consumer. The Chairman directed MGVCL to provide a copy of the above booklet to the members of the SAC and other distribution licensees so that they can also despatch similar booklets to their consumers by making necessary modifications, if needed.
- 2) Some of the members of the SAC informed that the voltage received at the consumer premises in some of the areas is not in accordance with the provisions of the Electricity Rules. The variation in the voltage observed is much higher and it affects the performance of the apparatus installed at the consumer premises. The consumers are complaining for the same but there appears to be no response from the licensees.

Chairman observed that it is the duty of the Discoms to ensure that the supply voltage at the consumer premises must be in accordance with the standards prescribed. In case of any variance beyond the limits provided, necessary precautions must be taken by the distribution licensee concerned. He directed the Discoms to consider the complaints of the consumers / members of the SAC and give their report within a week's time.

- 3) Shri J.B.Parekh, ACE, PGVCL informed that in PGVCL license area, they have created a toll free complaint booking facility to record the complaints of the consumers which may be helpful to track the time taken to settle the consumer complaint. The above facility will also help the licensee to attend to the complaints as early as possible by passing necessary directions to the field staff with no loss of time. It was suggested that such type of facility shall be extended to all the distribution licensee areas so that the consumers will get better services.
- 4) Shri N.Dinkar pointed out that the details provided by MGVCL regarding faulty meters and rectification of the same were incorrect and inconsistent. During discussion, it was observed that the details provided by MGVCL are incorrect. Chairman directed MGVCL to properly analyze the details before submission to the Commission or any authority to ensure that there is no mistake in such details. He further observed that the number of defective meters is quite large. Hence, all remedial measures must be taken to reduce such defects as it affects the revenue of the licensee.

**Item No.7: Discussion on Electrical Inspector's Report on Accident**

It was observed that the report submitted by CEI was only reproduction of safety rules/regulations. CEI was directed to give a detailed report in this regard.

**Item No.8: Monitoring Report of CGRFs & Ombudsman**

The report on functioning of the CGRFs and Ombudsman for Quarter I of FY 2011-12 was discussed in detail. During discussion, Shri Bhavchandbhai informed that independent members from the public are to be appointed as a member of CGRF. He informed that in some of the CGRFs, the Chairpersons of CGRF have retired. However, they have been given extension as

independent member. To avoid such thing, it is advisable to appoint independent members from time to time by inviting applications from the persons who are having good reputation in the society. In response to the same, the Commission informed that the Commission has invited applications from the public to appoint independent members of the CGRF. The Commission has received about 150 applications which are under scrutiny. The Commission is of the view that only qualified and reputed persons should be appointed as independent members of the CGRF as and when vacancy arises. However, it is not proper to remove the existing member of the CGRF who are yet to complete their tenure.

**Item No.9: Issues raised by the members**

During discussion, Shri Shivilalbai submitted that the unauthorized uses of electricity complaints registered by the licensees are not in accordance with law. He submitted that if any consumer extends the power supply in his boundary, he is booked under unauthorized use. Similarly, in case of agricultural consumers, who are having contract demand of 10 HP and established 5 HP motors in 2 locations of the same survey number of the land, they are booked for unauthorized use of electricity which requires to be rectified by the licensee because the consumers are not aware of such facts that the activity which is carried out by them is unauthorized use of electricity. He submitted that a more friendly and educative approach is required to be adopted by the licensees. He further submitted that if an industrialist is having two different plots which are adjoining to each other, he should be allowed to utilize the electricity from one plot to another plot as it belongs to the same owner in both locations. However, in such event, the consumers are booked for unauthorized use of electricity. Shri J.J.Gandhi, on behalf of PGVCL, clarified that the utilities are following the provisions of regulations stipulated by the Commission. The Commission has also in amendment no.2 to the Supply Code Regulations specified a proper methodology for evaluation of the penalty in case of theft/ unauthorized use of electricity which is followed by the licensees. Thus, there is no substance in the submission made by Shri Shivilalbai. Chairman clarified that the SAC cannot decide this issue because it depends on the facts of the case. Chairman also suggested that the distribution licensees should prepare a booklet for guidance of the consumers on the unauthorized use and theft of energy, etc. keeping in view the provisions of the Act and Regulations framed by the Commission. Further, he suggested that a checklist be prepared by PGVCL and circulated. During discussion, Chairman asked Shri D.R.Shah, CE, GUVNL to come out with simplified procedures in place of the

existing procedures so that as and when any new consumer desires to get the connection or the existing consumer desires to extend the contract load or change the name of consumer etc. it is transparent and easy to comply with the requirements in this regard.

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

**SECRETARY**