Proceedings of 2\textsuperscript{nd} meeting of Co-ordination Forum held on 30.07.05

1) The second meeting of the Co-ordination Forum was held at 10.30 AM on 30\textsuperscript{th} July,2005 in the office of the Commission, Guwahati. The list of the members attending the meeting is at Annexure-1. The Chairperson AERC presided over the meeting. Following the welcome to all members by the Chairperson, a brief introduction of the members was done. Request for leave of absence was received from Commissioner and Secretary, Industries Department. Leave was accordingly granted. No information was received from the Commissioner and Secretary, Panchayat & Rural Development Department. Information was received from the NHPC that two of their Directors would attend the meeting though they would be delayed due to flight cancellation.

2) The agenda (Annexure-2) for the meeting was circulated among the members earlier.

3) In his opening remarks, the Chairperson thanked all the members for attending the meeting of the Forum which had the very important objective of discussing and the various issues and the problems faced by the power sector in the state with a view to their resolution. He stated that he looked forward to valuable contributions from the members in furthering the cause of power development in Assam.

4) Minutes of the 1\textsuperscript{st} meeting of the Coordination Forum held on 24.01.2005 were placed before the Members for confirmation and the minutes was confirmed

5) Agenda Item-1

Action taken on the Minutes of the First Meeting of the Co-ordination Forum held on 24\textsuperscript{th} January,2005.

A note on the action taken was circulated in the meeting (Annexure-3) for information of the members. It was noted that due to late receipt of some of the information this note had to be made brief. For future meetings, it is expected that more substantive action taken notes would be made available based on timely and comprehensive feedback from all concerned.

6) Agenda Item-2
Review of status of overall power supply of the last three months

6.1 The Addl. Chief Engineer (SLDC) stated that power supply position of the state was better for the month of July, 2005 compared to the position for the months of April, May and June, 2005. He also stated that for the month of June’2005, the shortfall was of the order of 5 to 10 MW in the off-peak hours and 90 MW in the peak hours with a restricted peak demand of 670 MW. He added that the State has an infrastructure capable of drawing 600 MW of load only.

6.2 Shri A. Barua, Chairman, CII, Assam State Chapter, inquired from AEGCL officers how the demand figures are arrived at. He also recommended that a load survey should be conducted to find out the real unrestricted peak and off-peak demand of the State.

6.3 Chairman, ASEB remarked that a load survey will be conducted as part of the component No. 2 (System Study) of the consultancy service under Project Loan of ADB, scheduled to be completed by end 2006.

6.4 Financial Commissioner suggested that the planning for growth of power sector in the State must take into account the inter-sectoral growth rate of different sectors of the economy in the short, medium and long term. The planning for electricity must be ahead of growth of the State economy which varies from 5.5 to 6.2% over various years. He mentioned the growth experience in the Health and Industry sub-sectors of the economy and the related demand of power of these sector should be taken into account also.

6.5 Principal Secretary, Power, Government of Assam, advocated that a survey be conducted to find out the actual demand of the State as the present methodology was based on many constraints in the system.

6.6 Summarizing the discussion, Chairperson, AERC observed that the action points were as follows:

i) As it will be a long time before results of the new demand survey through consultancy firms as envisaged in the ADB project will be available, a demand forecast should be made quickly based on the data supplied by Additional Chief Engineer, SLDC, AEGCL, after interpolating all data on the missing gaps including installation of new distribution transformers and lines. The Agriculture, Industry and Health departments should be consulted while undertaking the load survey. The following may be taken into account in this regard: a) total connected load applying diversity factor, b) pending applications for connections, c) load of industries which have closed down or have shifted outside the state due to power non-availability, d) number of
non-working DTRs on an average (suggested by Executive Director Powergrid). The work should be completed within two months.

ii) A load survey on the lines of CEA load survey may be undertaken in one circle by the Discoms internally. The work has to be completed within 3 to 6 months.

**ACTION:** AEGCL, UAEDCL / LAEDCL / CAEDCL and Power Department, Government of Assam.

6.7 Principal Secretary Power stated that it had been informed in the NEEPCO Board meeting that Assam was not drawing all the power allocated to the state from NEEPCO. DGM, NEEPCO, pointed that while he had no information that Assam was not drawing the full allocation of power, in fact the energy scheduled out of NEEPCO production was less than the declared energy of their power stations, both hydro and thermal, in the North Eastern Region for the last 3 months. The Principal Secretary, Government of Assam, stated that he will take meeting on this issue with NEPCO Board and others concerned. The Chairman, ASEB stated that while a report will be submitted on whether allotment to ASEB by NEREB was fully scheduled by ASEB during the last 3 months, in fact due to lower generation by the hydro projects, ASEB and the Government of Assam had moved Government of India to allot 50 MW additional power to Assam, out of 184 MW unallocated power in the North Eastern Grid and additional 150 Mw of power from unallocated power of CSGS to Assam for the period November ’05 to April ’06.

**ACTION:** ASEB/ Power Department, Government of Assam

6.8 Dr. Anil Kumar Goswami suggested that the Government of Assam should make a preemptive request to all oil companies to go in for exploration of additional gas reserves in this region, assuring that that Government of Assam will purchase all the gas exploited by them. Chairman, ASEB requested Chairperson, AERC to invite representative of ONGC and other oil companies as a special invitee for the next meeting of Coordination Forum.

**ACTION:** Power Department, GoA, ASEB, AERC

7) **Agenda Item-3**

Review of Status of State Generation System:
(A) MD, APGCL, submitted a write up on the review of status of State Generation System (Annexure – 5). He also stated that the generation target set by AERC for the FY 2005-06 for the state sector will be achieved. Chairperson AERC suggested going in for preventive maintenance of the machines of the power stations, which does not require costly spares. He also suggested that APGCL should make full and effective utilization of the amount of Rs. 6.5 Crores approved by the Commission on account of R & M of power stations of APGCL in FY 2005-06.

**ACTION :** MD, APGCL

(B) MD, APGCL, informed that the Agreement for supply of 0.5 MMSCMD of gas to LTPS had been approved by APGCL Board and it will be signed within 2/3 days. Chairperson, AERC asked him to submit a copy of the same to the Commission after signing of the Agreement.

**ACTION :** MD, APGCL

(C) Revival of CTPS : On the question of initiative of Government of Assam to recommission one unit of CTPS, Chairman, ASEB stated that ASEB will require around Rs. 70 Crores as fuel cost to run one unit of CTPS for 6 months. If 50% of the amount is paid by Government of Assam as subsidy to ASEB the cost of generation at CTPS will come to Rs. 3.50 per unit, which will prove viable as power purchased for the state, which has to be necessarily done during the dry months, may also cost around the same. Principal Secretary, Government of Assam, Department of Power, stated that the Government will have to see whether purchase of the same amount of power generated by one unit of CTPS will be cheaper than generation at CTPS which will be known after ASEB floats tenders for purchase of power in September, 2005. Chairperson, AERC suggested that preliminary action is to be started now for revival of CTPS if it is to be made operational in November and the Government should take a decision on the matter based on available information and not wait till September, 2005.

**ACTION :** APGCL, Power Department, Government of Assam
Chairman, ASEB stated that the APGCL may have to incur additional expenditure for the extra gas for LTPS. Chairperson indicated that the tariff fixation mechanism provides for allowing fuel price hike in the next year’s tariff order if the occasion arises and a prayer is duly made.

**ACTION:** APGCL

8) Agenda Item-4

**Review of Status of Transmission System:**

(A) Present status of the various works undertaken by AEGCL scheme wise is at Annexure-6. The status was reviewed in the meeting. It was agreed that the following actions be taken urgently:

**220 KV Kathalguri-Tinsukia Line:** AEGCL and NEEPCO are to expedite signing of the Memorandum of Understanding between them for the maintenance of terminal equipments installed at NEEPCO’s premises. The PLCC communication between Tinsukia and Kathalguri are to be established immediately.

**Action:** AEGCL and NEEPCO

(B) As suggested by Shri A. Barua, the clause of liquidated damages should be incorporated in all the contracts entered into by ASEB/Successor Companies.

**Action:** ASEB/Successor Companies
He also noted that the ASEB / Successor Companies are executing more work in the last 3 years compared to what has been done during the last 30 years. He suggested that wide publicity should be given to all the work being done.

Chairman, ASEB responded that as the results of the work being executed by ASEB / Successor Companies in the fields are yet not available, it may be counter productive if wide publicity is given about these works before commensurate benefits flow to the consumers. Chairperson, AERC suggested that ASEB / Successor Companies should highlight achievements, even if small, the direct benefits of which may become clear to the consumers such as commissioning of a new 33 KV Sub-Station which may provide benefit by removing overload of the system.

Chairperson, AERC also asked AEGCL to submit physical particulars of such, projects along with specific date and time of completion of projects in their reports in future.

**Action:** ASEB/Successor Companies

9) **Agenda Item - 5**

**Review of Status of Generation under Central Sector:**

(A) The detailed status is at Annexure – 7. DGM, NEEPCO stated that due to late onset of pre-monsoon rainfall the inflow and reservoir level in the hydro stations of NEEPCO has fallen leading to low generation from these units. However, it was pointed out by the members that the generation from thermal units of NEEPCO for last 5 months has been also below the designed capacity. DGM, NEEPCO stated that less quantum of gas was received in Assam Gas Based Power Project, Kathalguri, which lead to lower generation. He asked the forum to impress upon Oil India Limited to give full amount of gas to AGBPP, even if temporarily until the proposed gas cracker project comes up, and ththereafter to continue gas supply at the same rate by new exploitation of reserves.
**Action — Power Department, Government of Assam, ASEB, NEEPCO**

(B) ACE, SLDC, AEGCL requested DGM, NEEPCO to see that no shut down of the machines takes place in winter to which DGM, NEEPCO agreed. The Chairperson, AERC also asked APGCL to ensure that the same is done for their power stations.

**Action — APGCL/NEEPCO.**

(C) It was decided that if any declared energy from any power station remains unutilized due to non receipt of schedule from any of the constituents, it has to be examined whether such energy can be scheduled for the needy states. GoA and ASEB may take up the matter with NEREB/NERLDC at right earnest. For such issues representatives of NRLDC may be invited as special invitee in future meetings.

**Action — Power Department, ASEB, AEGCL**

(D) Shri S. K. Garg, Director (Finance), NHPC, gave an overview of the projects undertaken by NHPC in the North Eastern region. He informed that NHPC is executing six projects with a capacity of 23,000 MW in the current Plan period, which are at various stages of implementation. He further stated that NHPC has planned for another 22000 MW at an investment of Rs. 1 lakh crores in the 12th Plan. Members from the State wanted that as the feasibility of additional generation within the State appeared to be much less than the planned generation of NHPC, it should be ensured that maximum possible power allocation out of these ongoing and future likely projects.

**Action: GoA, ASEB**

(E) Shri S. K. Sinha, Executive Director, Power Grid Corporation, informed the meeting that the Power Grid has a plan to construct a 600 KV HVDC line between Subansiri and Agra to transfer 4000 MW of power.
Review of Status of Revenue Realisation and Computerization of Billing:

(A) The detailed status is at Annexure – 8. The performance of the three distribution companies was reviewed in the meeting. The matter of high failure rate of distribution transformers was discussed and it was decided that proper inspection and quality standards along with preventive maintenance practices will be built up for improved maintenance of distribution transformers by the three Discoms.

(B) On computerization of billing, it was decided that a report will be submitted by 30th November, 2005 on improvement of collection efficiency by computerization of billing in selected sub-divisions.

(C) Similarly, a report on status of use of spot billing machines will have to be submitted by 30th November, 2005.

(D) On replacement of meters, month wise target and achievement are to be intimated to the Commission by 30th November, 2005.

Action — Discoms

11) Agenda Item - 7

Review of Status of Grievance Redressal Mechanism:

(A) The detailed status is at Annexure – 9. Chairperson asked the concerned officers of the Discoms to submit a report on constitution of sub-divisional level coordination committee in various subdivisions in all the Discoms by 30th August, 2005.

Action : Discoms

(B) Chairperson stated that under the initiative of the Consumer Advocacy Cell of AERC, 14 consumer groups had been empanelled with the Cell to act as authorized representatives of electricity consumers in designated areas. A compact disc containing important regulations issued by the Commission and
other consumer related information has already been released by the Commission.
The second updated edition of the disc was distributed to the members.

Lastly, Chairperson, AERC, emphasized the need for timely feedback on the
issues raised in the meeting by all concerned. The meeting ended with thanks
from the Chairperson.