

Minutes of the proceedings of the 9th meeting of the State Advisory Committee of the Assam Electricity Regulatory Commission held on 9th May 2006 at the Assam Administrative Staff College Khanapara

List of members present enclosed vide Annexure – I.

At the beginning Smti N. Dewri Dutta Secretary of the Commission introduced Shri Jadab Prasad Saikia Member and officiating Chairperson of the Commission and Shri Himadri Dutta Member of the Commission and welcomed all the members of the State Advisory Committee and the Managing Directors of the APGCL, AEGCL, UAEDCL, LAEDCL and CAEDCL, who attended the meeting as special invitee.

The meeting was presided over by Shri Jadab Prasad Saikia Member and Officiating Chairperson of the Commission.

Initiating the discussion, the Chairperson expressed concern about the prevailing difficult position due to shortage of power supply in the state. The Chairperson opined that such a situation has arisen due to the over dependence of the state on central sector and other outside sources for supply of power. Unless the state's own generation of power is increased the power scenario will not improve, the Chairperson expressed.

Thereafter deliberations were made as per agenda.

Leave of absence was granted to Dr. Jayanta Madhab, member and to the Commissioner, Guwahati Municipal Corporation, member.

- (1) The minutes of the proceedings of the 8th meeting of the Commission held on 24.01.2006 already circulated amongst the members, placed before the Committee for confirmation and the same was confirmed.
- (2) A detail discussion was held on the action taken report on the 8th meeting of the State Advisory Committee.
 - (A) On agenda no 2(b), representative of the Grahak Surakha Samittee informed that bills are received by some of the consumers after the due date of payment or a few days ahead of the due date which create difficulty on the part of the consumers and desired to know whether the bills can be served at least 10 -15 days ahead of the due date.

Shri P.K.Borthakur, I.A.S., M.D.UAEDCL/LAEDCL desired that if specific complain is received then they can take remedial measures against the persons / agents who defaulted in serving the bills in time. He also informed that computerized billing system is almost complete in Guwahati and that such problems will be minimized on completion of computerization billing system. The M.D. further apprised that in Guwahati, consumers can have access to their billing details in the website and they can also take out the print.

The Chairperson of the Commission opined that the consumers should get at least 7 to 10 days time before the due date of payment of the bills and requested the Discoms to work out effective monitoring system so that the bills are served in time. The Chairperson further states that things have definitely improved in comparison to the position about 3 months back.

Representative of FINER apprised that the ASEB had done some exercise on defective meters etc. and served bills to the consumers. And that a good number of consumers had rectified the meters by installing new meters etc. and requested for adjustments of their bills. But no steps taken by the Authority to adjust the bills although 18 months have elapsed. The Chairman ASEB informed that the bills can be adjusted by the system of average billing within a period of six months.

On a request from NESSIA whether the format of the bill can be segregated to show what p.c. of the fixed charge go to the Discoms, the Chairman ASEB said that it is not possible and clarified that the entire amount goes to the Discoms.

- (B) On agenda 2 (C) the representative of ABITA wanted to know action taken on the possibility of using perforated bills. The M.D. UAEDCL and LAEDCL informed that no decision has been taken. Once computerisation of billing is completed, all such problems will be automatically minimized, the M.D. said.

- (C) The Chairperson of the Commission apprised the members that the study on the Cost of Supply is complete and the findings would be considered for incorporation in the Tariff Proposals for 2006-07.
- (3) Thereafter a detail discussion was held on the Tariff Proposals and ARR for 2006-07. The Chairperson of the Commission apprised the members that on receiving a letter dated 08.03.2006 the Commission directed the ASEB and its successor entities vide order dated 16.03.06 to file revised tariff petitions. In response to this order the ASEB as Trader and its successor companies filed petitions praying before the Commission that the ARR and Tariff proposal for FY 2006-07 as filed by them on 26.12.2005 shall remain unchanged for further admittance and necessary action by the Commission. The Commission accepted their prayers and ordered for publication of a summery of the ARR and also the tariff for FY 2006-07. A consolidated handout has already been circulated amongst the members. The matter was placed before the Committee for their comments and suggestions on the ARR and Tariff Proposal for FY2006-07.

The members desired to submit written comments and suggestion on the ARR and the tariff proposal and the Chairperson allowed 10 days time.

On specific query from NESSIA regarding percentage of charge of different elements in the tariff, Shri M. K. Adhikary Jt. Director (T) clarified the points raised by the NESSIA. It was informed that the total fixed cost of supply are approximately 75% of total cost. The fixed cost of Central Generating stations and of APGCL are approximately 40%, transmission and related cost of both Power Grid and AEGCL is 20% and Discoms expenditure are approximately 15% of the total fixed cost.

Some clarifications were sought for by FINER on estimated generation, carry forward loss etc. and the same were clarified by the Chairman ASEB.

FINER also wanted to know whether there is provision for compensation if power is not supplied as per PPA to which it was informed that action would be initiated as per provision in the PPA. On a further query by the FINER, the Chairman ASEB

informed that except surcharge, the principal amount was never written off.

The Chairman ASEB also informed that in the last tariff order for FY 2005-06 the Commission has shown the T&D loss at 31%, but actual loss for Discoms was 36%. This difference of 5% loss is absorbed by the Discoms or the ASEB as a whole and not passed out to the consumers he said.

The Chairman ASEB further expressed that Multi Year Tariff (MYT) for about 5 years would be a better choice than going for determination of tariff every year with a provision for change in power purchase cost which again would have to be approved by the Commission. The Chairperson of the Commission informed the members that the Commission is considering for MYT from the next year i.e. 2007-08.

- (4) The draft First Amendment of the AERC (Electricity Supply Code and Related Matters Regulations) 2004 already circulated to all the members was placed before the members of the Committee for their views and comment. The Chairperson also informed that the Additional Chief Engineer (Commercial-Revenue) ASEB has submitted their comments and suggestions on the proposed Amendment of the Regulations and the same is placed before the members for their comments. The members desired time for submission of their comments and the Chairperson allowed 10 days time.
- (5) Thereafter the members discussed on miscellaneous matters. The representative of FINER raised a point whether some sort of reward can be given to a person / informer, who lodges complain against a consumer using of excess current unlawfully against the permissible limit in the connected load. The Chairperson stated that the matter would be looked into.

The representative of FINER also brought to the notice of the members that the Central Policy for development of the North East have announced Tourism and Health Care sector under industrial category and requested the Commission whether these two sectors i.e. Tourism and Health Care can be considered as Industrial consumer instead of as commercial consumer. The Chairperson stated that this would be examined.

The FINER also informed that the industrial consumers are by and large benefited by TOD tariff.

The matter of shortfall of power supply in the state during November to April-May was discussed. The Chairperson said that this is the period of various examinations and the student community suffer a lot due to frequent power cut during these days. He proposed that if the Chandrapur Thermal Power Station can be revived if needed by way of increasing tariff during those period (Time of Year) as is done in TOD. The FINER welcomed this proposal. The representative of the Consumers' Fora also welcomed the proposal provided there is uninterrupted power supply. The members also desired that wide publicity may be given well in advance before implementing the proposal.

Summarising the discussions, Shri Himadri Dutta Member of the Commission said that the suggestions and advice of the members on the tariff proposals for 2006-07 would be considered while finalizing the tariff and offered vote of thanks.

There being no other business to transact, the meeting ended with a vote of thanks from the Chair.

Sd/- (J. P. Saikia)
Chairperson
Assam Electricity Regulatory Commission

Annexure – I

List of Persons attending the 9th Meeting of State Advisory
Committee on 9th May, 2006

- (1) **Shri J. P. Saikia**, Chairperson, AERC
- (2) **Shri H. Dutta**, Member, AERC
- (3) **Shri S. C. Das**, IAS, Chairman, ASEB
- (4) **Shri P. K. Borthakur**, IAS, MD, UAEDCL & LAEDCL
- (5) **Shri R. L. Duarah**, Joint Secretary, Department of Power (Elect.) etc.
- (6) **Shri U. K. Goswami**, MD, CAEDCL
- (7) **Shri N. C. Deka**, MD, AEGCL
- (8) **Shri A. K. Bora**, MD, APGCL
- (9) **Shri George Chacko**, Chairman, Power Comm., FINER
- (10) **Shri Anuj Kumar Barua**, Director, AASSIA
- (11) **Shri Gopal Ch. Baishya**, President (Elect.), Grahak Suraksha Sanstha
- (12) **Smti Lily Das**, President, Grahak Suraksha Sanstha
- (13) **Shri B. P. Bakshi**, Chairman, AIMO
- (14) **Shri Atulananda Goswami**, Grahak Gosthi
- (15) **Dr. P. K. Bordoloi**, Professor & HOD (Retd.), Department of Energy, Tezpur University
- (16) **Shri Sailen Baruah**, State President, NESSIA
- (17) **Shri K. Medhi**, State Gen. Secretary, NESSIA

List of Officers of AERC presence :

- (1) **Smti Neelima Dewri Dutta**, ACS, Secretary, AERC
- (2) **Shri M. K. Adhikary**, Joint Director (Tariff), AERC
- (3) **Shri Anuj Goswami**, Deputy Director (Engineering), AERC
- (4) **Shri S. N. Kalita**, Deputy Director (Finance), AERC
- (5) **Shri A. K. Thakur**, Adviser (Law)