



ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

#11-4-660, 4th Floor, Singareni Bhavan, Red Hills, Khairatabad
Hyderabad 500 004 Phones: 23397 - 381, 399, 556, 656 Fax: 2339 7378

Minutes of the State Advisory Committee's 15th meeting held on 22nd January, 2021 at 11:00 AM from the corporate office, APEPDCL, Visakhapatnam through video conferencing.

Present: 1. Sri Justice C.V.Nagarjuna Reddy, Chairman, APERC

2. Sri Thakur Rama Singh, Member, APERC
3. Ms.Nagalakshmi Selvarajan, IAS, CMD, APEPDCL
4. Sri H.Haranatha Rao, CMD, APSPDCL
5. Sri J.Padma Janaradhana Reddy, CMD, APCPDCL
6. Sri C.Ramakrishna, Director (Admn.) & Commission Secretary (i/c)

Attended through video conferencing:

1. Sri P. Rajagopal Reddy, Member, APERC
2. Sri Kandregula Venakata Ramana
3. Sri Surapaneni Sri Murali
4. Sri Katuru Hari Kishore Kumar Reddy
5. Sri M.S.S.Sarma
6. Sri G.Venkateswara Rao
7. Dr.Donthi Narasimha Reddy
8. Dr.Chennupati Divakar Babu
9. Sri Mangati Gopal Reddy
10. Sri N.Sreekumar
11. Sri A.Chandrasekhar Reddy
12. Sri B.Vamsi Srinivas
13. Sri V.S.R.K.Ganapathi

At the outset Sri C. Ramakrishna, Secretary(i/c) of the Commission and the ex-officio Secretary of the State Advisory Committee (SAC) welcoming all the Members of the SAC who have joined through video conferencing and the special invitees present i.e., the CMDs of the three DISCOMs to the meeting, explained the program of the meeting and requested the Hon'ble Chairman to commence the proceedings with his opening remarks.

2. Hon'ble Chairman, welcoming the Members of the SAC to the meeting, has explained that the COVID pandemic has thrown many challenges and in order to protect public health the Commission has devised the method of undertaking the public hearings on the ARRs, FPTs and CSS proposals of APDISCOMs for FY 2021-22 through video conferencing (held from 18.01.2021 to 20.01.2021) and it has been a great success. He has explained that the event is probably the first of its kind in the country which has covered the entire thirteen (13) districts of the State and objectors (out of the total 63 nos.) from remote areas in the State could participate and express their views. He has said that the Commission would definitely strive to come out with a satisfactory tariff order and requested the Members to give their valuable suggestions on the ARRs, FPTs and CSS proposals for FY 2021-22.

3. Later, the Chairmen and Managing Directors of the three DISCOMs have briefly explained the details of their respective ARRs and Tariff proposals.

4. Sri Surapaneni Sri Murali, Secretary, AP State Council, Indian Wind Power Association has stated that he is representing Renewable Energy sector and since most of the issues of Solar and Wind generators are pending before various courts, he is holding back his comments.

5. Sri K.Harikishore Kumar Reddy, Vice President, Bharatiya Kisan Sangh has stated that Free Power shall be given to all farmers in Category-V like that of Lift Irrigation farmers without any regard to the income tax restrictions. He has stated that it is against Section 45 of the Electricity Act and amounts to discrimination. He has stated that Regulation No. 2 of 2017 is not being implemented properly for the reason that the concerned section officers are keeping the cases of electrical accidents aside without reporting to the higher officers on the ground that the accidents are without the fault of the department and as such the victims are suffering. He has requested for strict implementation of the Regulation. He has stated that the provisions of Regulation 4 of 2013 are not being implemented in APEPDCL even after seven years and in an instance a consumer (service number 01718997) by name Dasari Venkata Subbalaxmi in Narayanapuram Section of Tadepalligudem Division had to pay Rs.1,26,000/- extra and that the Executive Engineer, Tadepalligudem has also accepted to return the amount upon request. He has requested the CMD, APEPDCL to arrange to modify the SAP system to be inline with the provisions of the Regulation. He has stated that levy of GST while releasing agricultural service connections is not correct. That a consumer with service number 0118002230 by name Pilla Venkata Nagamani of Alamuru Section in

Ramachandrapuram Division had to pay Rs.32,000/- including GST against the actual of Rs.6600/- for agricultural service connection including transformer but another consumer by name Tirumalasetti Venkatalakshmi with service number 01180022118 on the same transformer has paid only Rs.7200/-. That for the above two consumers only one pole is laid and there is no line cost and transformer cost and as such levy of GST is not correct. That, as per Regulation 4 of 2013, for agriculture services 180 meters of service line has to be laid free of cost and there being no clarity in the estimates for agricultural services, consumers are suffering. He has thanked the Hon'ble Chairman and Hon'ble Members of the Commission for the actions taken for implementation of the provisions of Regulation 4 of 2013 by which an amount of Rs.42 lakhs were returned to the farmers in Tadepalligudem Division and for reduction of cost of service this year than last year. He has opined that implementation of Regulations has to be reviewed by the Commission.

6. Sri M.S.S.Sarma, Chief Executive, FACOR Alloys has expressed happiness that DISCOMs have proposed the same tariff (as of last year) for almost all the consumers including industry. That, for the last four years a uniform tariff has been maintained for the industry but for competing internationally, the tariff is prohibitive and it is becoming difficult for them. That there was huge industrial growth during the years 2002 to 2012 (investment of more than Rs.2,500 Cr. has come in the State) during which a level tariff was maintained. And that thereafter for whatever be the reasons the tariff has gone up from Rs. 2.40 per unit to Rs.4.95 per unit. That countries like Malaysia are providing power tariff at much cheaper price and letting investments to come in. That the ferro alloy sector has potential to grow and can be expanded by about 30% to 50% provided a level playing tariff is created so that the industry can compete internationally and exports can be increased.

7. Sri G.Venkateswara Rao, KCP Sugars has appreciated the continuous efforts of AP Transco and AP DISCOMs for reducing the T&D losses and not proposing any hike in the tariffs. He has also complemented the Commission for successful completion of public hearings through video conferencing and suggested that a time slot in a day for a particular objector is given, that will be more convenient for the objectors.

Hon'ble Chairman stated that in fact objectors were requested to provide their convenient date and station for participation in the hearings but most of them have not indicated the same and however, even the unregistered objectors were also heard.

8. Sri Venkateswara Rao has further stated that the Load factor incentive may be continued to encourage the industries to consume more energy so that the DISCOMs will

get more revenue and that discontinuing the incentive will demotivate the existing industries and also the investors. He has stated that the proposed change of category of poultries, aqua hatcheries and feed mixing plants to industry general will cause burden on the respective industry which is already in the volatile stage and as a result of increase in tariff, the product of the industry being in the food supply chain, it will affect the consumers at large. Accordingly he has requested to continue them in the existing categories only. He has also suggested the introduction of prepaid meters for Government offices and street lighting etc. so that DISCOMs will get timely payment and encouragement of solar power panels for such requirements.

9. Dr.Donthi Narasimha Reddy, Public Policy Viewer has made a powerpoint presentation and pointed out the following issues:

- a) That Power Purchases are being made even when there is surplus power is a big issue and the assessment of burden due to such surplus seems to be not done.
- b) That PPAs are to be reviewed and the burden of compulsory purchases is to be reduced.
- c) That if new PPAs are proposed, provisions for not having the burden of surplus power need to be incorporated.
- d) That surplus power may be exchanged between the DISCOMs and any infrastructure development needed may be done.
- e) That ARR for the last three years indicate continuous revenue requirement growth and there is a revenue gap of about Rs.25,000 Cr for the three years put together. There is no strategy seen as to how the gap is bridged except for the subsidy provided by the Government. It is not known whether the revenue gap of a particular year is being carried forward for the subsequent years and strategies for curtailing revenue gaps is a critical issue.
- f) That reflection of the gap against per unit cost of service (subsidy booked basis and subsidy received basis) may help to understand the situation better and to take decisions like tariff hike to address the huge revenue gaps.
- g) That there is no strategy in the ARR to address the revenue gap like going for tariff hike nor there are innovative steps to reduce the costs.
- h) That attempts should be made to recover the cost of service and barriers for recovery of cost of service should be identified within each DISCOM and the same are not seen in the ARRs.

- i) That as per the Central Government policies now the trend is towards renewable energy from conventional energy and there are transitional issues which are leading to surplus power mostly from thermal stations. A comprehensive view is not seen in the ARRs to address this issue and the Commission may look into this matter.
- j) That usage of electrical appliances is increasing and storage systems are also increasing. This will impact the demand pattern. So load mapping needs to be done area wise or feeder wise to devise better strategies for distribution of electricity.
- k) That Government is a big consumer by way of its offices and timely payment to the electricity utilised by them is an issue.
- l) That when the consumers who are unable to pay the electricity bill are increasing strategies are required to address the losses.
- m) That technical capability to handle natural calamities is to be improved and ways and means of losses arising out of such instances to be formulated.
- n) That an annual State level study of the changes in the sector may need to be done either by the Energy Department of the Commission to identify and address the transitional issues.
- o) That decentralised generation of Non-conventional Sources of Energy (particularly Solar) is to be encouraged like in other countries.
- p) That subsidy division among DISCOMs is appreciable and beneficiary segregation may also be done.
- q) That mapping the number of service connections DISCOM-wise and category-wise to account for any deletions / additions of services is very important to help planning properly.
- r) That balance sheet approach should be given in the ARR indicating the income, expenditure and balance for the previous, current and future year to have a better understanding of the finances.
- s) That corporate policies like risk management, revenue management, remuneration, Sales Forecast, environmental, customer services and procurement may need to be formulated by the DISCOMs.
- t) That abbreviation and glossary may be given in the ARR.
- u) That provision of the details of Government subsidies in a separate section in the

ARR as suggested earlier, is welcome.

- v) That Government subsidy details may be given during the public hearings for effective planning.
- w) That telugu version of ARR may be given.

CMD, APEPDCL said that the ARR in Telugu is attempted to be given but could not be done within the time of filing the ARRs.

Hon'ble Chairman directed the DISCOMs to bring out the telugu version of ARR from next year.

- x) That booklet on electricity bills may be given.

Hon'ble Chairman requested Mr. Narasimha Reddy to suggest what such a booklet should contain and it will be considered.

- y) That a methodology manual for the ARR may be given.
- z) That standardization of sections of ARRs is still to be done among DISCOMs.
- aa) That action taken report on various directions issued by the Commission may be provided in the ARRs
- bb) That SAC Members may be informed (by way of a monthly digest magazine) of the monthly activities took place in the Commission for better information to the Members.

Hon'ble Chairman welcomed the suggestion and said that it will be considered.

- cc) That the details of maintenance costs of DISCOMs may be given and benchmarking of employee cost may be done.
- dd) That details of consumers switching to competition are not given in the ARR.
- ee) That GST details are not given.
- ff) That focus should be given on electrical safety.
- gg) That alternative scenarios to address revenue gaps and requirements are to be incorporated in the ARRs.
- hh) That Electricity Supply Chain economics should be seen for better transition.
- ii) That GST exemption for farmers or lesser percentage of GST may be pursued with the Government by the DISCOMs.

10. Sri Mangati Gopal Reddy, President, Federation of Farmers Association has stated that meters for agriculture services may be provided at the feeder level or at the transformer level where two or three agricultural services are connected. That there are apprehensions among the farmers that if the government does not provide subsidy, the farmers will be charged based on the metering or that the services will be disconnected. That all farmers in category-V (including income tax payees) may be provided free power.

11. Sri N.Sreekumar, PRAYAS Energy group has made a powerpoint presentation and stated the following:

- a) That DISCOMs are in a bad financial situation and this is despite the increasing subsidy year on year. That the reasons are subsidy being received is less than the subsidy booked, huge arrears from government offices and no tariff increase for quite some time. That if the distribution companies are financially not healthy, they cannot supply quality power.
- b) That the main component (75% to 80%) of the cost of supply to be dealt with is power purchase cost and on the revenue side the major items are pending arrears from government offices and pending subsidy payment on which the Government has to take action and that unless these are tackled, the sector will be in trouble. That DISCOMs have to continue to use the power markets to optimise their cost of power purchase and prepaid metering shall be installed for Government offices.
- c) That 85% of the subsidy is for agriculture. That for anything to be done with the subsidy, agricultural consumption has to be looked at first. That the issue of estimation of agriculture consumption has been raised for the last 10 years and in the ISI methodology being followed by the APDISCOMs, every time it is being asked for higher samples, better measurements, more details etc. and it is felt that this methodology is simply not working. That it is better to go for an alternate method based on 11 kV feeder metering as AP DISCOMs have claimed 100% 11 kV feeder Automatic Meter Reading (AMR) and even if there are loads other than agriculture on the feeders, those loads can be estimated and for the losses on the 11 kV side and LT line, some studies can be done and if there are some other gaps those can be filled by surveys. That this is being suggested from the experience of Maharashtra where the Regulatory Commission and the distribution companies have set up a committee and the committee has re-estimated the

agricultural consumption based on quite a big survey with one lakh samples over a period of nearly two years, which helped to reduce the agricultural consumption estimation by nearly 15-20% which ultimately reflects on subsidy etc.

- d) That DBT is a good idea but it is advisable to go in a phased manner, as the Govt. is already learnt to have planned, keeping in mind the issues of financial illiteracy and IT issues etc.
- e) That as regards the Govt. proposed 10000 MW solar power for agriculture, it is not wise to have a centralised generation and the capacity addition shall be inline with the Load Forecast and Resource plan approved by the Commission and Regulatory Commission being a best quasi judicial entity in the State shall be in the role of regulating the process as mere tendering process is not the end of the story and there may be legal issues cropping up subsequently. That as far as Solar for Agriculture is concerned, under KUSUM options A and C, there is a Solar Feeder option which is economically viable, pro farmer, day time supply is available, they are distributed type, losses are very low and many States are following in a big way. That it is better to go for smaller systems rather than centralised generation to get the benefit of cost and efficiency.
- f) That awareness is important in Electrical Safety. That DISCOMs have provided the details in the ARR and also in response to the objections which is appreciable. That providing compensation is not the matter and all accidents have to be prevented, the senior management of APDISCOMs have to take serious note of the importance of electrical safety and third party audits have to be conducted and that Electrical Inspectorate has to be strengthened.
- g) That, regarding the quality of supply, there is an urgent need for improving reporting and analysis of the standards of performance if they really meant to improve the performance of the DISCOMs. That the initiative taken by the Commission of uploading on its website the SoP achieved by the DISCOMs is appreciable. That, the details like maximum, mean and minimum time taken to attend the fuse off calls may also be provided consumer category-wise, geographical area-wise to understand and see whether the standards can be further tightened to improve the quality of supply. That for ordinary consumers the two main problems are metering related and outage related for which maximum attention is to be given. That survey through mobile APPs can be done to ascertain what kind of issues the consumers are pursuing. That this is important in the light of the proposed amendments in the Electricity Act and Tariff

Policy and the Electricity (Rights of Consumer) Rules, 2020 brought out by the Ministry of Power where emphasis is given for 24 X 7 supply and automatic compensation and that a separate discussion or public hearing is needed on this important issue.

- h) That growth rates adopted in the resource planning are high and the plans for capacity addition particularly the renewable energy like wind and solar which are intermittent is not proper and the Commission may relook at the resource plan.
 - i) That seasonal ToD tariff based on RE Generation pattern may be adopted.
 - j) That there is a need to study the effects of transitional issues like consumers shifting to market or captive generation and on climate resilience.
 - k) That for building consumer awareness separate fund allocation in the ARR may be done like Karnataka and Rajasthan.
 - l) That regular quarterly SAC meetings may be conducted in virtual mode which is convenient for the members to attend.
 - m) That, under Section 94(3) of the Electricity Act, 2003, there is a provision that the Commission can appoint anyone as a representative of the consumer. That body of representatives of consumers can be a subset of SAC, who are willing to voluntarily work on a continuous basis to give inputs from the consumer side like before hosting a draft Regulation on the Commission's website etc.
12. Sri A.Chandrasekhar Reddy, MD, APSEEDCO has appreciated the efforts of AP DISCOMs who have put all out efforts in providing the best services to all categories of the consumers of the State. That their services will immensely help for economic development of the State and welfare of the consumers. He has stated that it is a unique initiative after the formation of APERC to conduct the public hearings through video conferencing which is quite comfortable and a cost effective measure. That State advisory Committee meetings may also be conducted regularly through video conferencing. That APDISCOMs have saved Rs.900 Cr. through cost effective power purchase during the last year and also for the first time in the country the DISCOMs have adopted load forecasting through artificial intelligence by which proper assessment of power demand for the next 24 hours can be done.
13. That installation of Meters for agriculture through DBT (Direct Benefit Transfer) scheme of the State Govt. is a historic step that improves accountability. That there has been no metering for agriculture since 1985 and that the DBT scheme will ensure quality supply to the farmers and timely payments to DISCOMs.

14. Sri Chandrasekhar Reddy has further stated that energy conservation & energy efficiency will play a major role in the scheme. That till date about 4500 MU of energy is saved by aggressive implementation of energy efficiency and the Govt. of India's Perform, Achieve and Trade (PAT) Scheme. That very recently RWS scheme is completed where 59 inefficient pump sets (10 HP to 185 HP) are replaced in the districts of Prakasam, Kurnool and Kadapa Districts with the support of Bureau of Energy Efficiency (BEE) and Panchayat Raj department investing about Rs. 1 Cr. each and based on a third party audit conducted in Kurnool and Prakasam district energy savings of 28% and 24% energy savings respectively are found to be achieved. That saving of Rs.88 Lakhs is achieved by replacing the pumpsets. That by providing the energy efficient appliances in the judiciary court buildings, energy saving of 23% is achieved. That DISCOMs have to adopt the best practices around the world by keenly observing technological developments and that funds are to be allocated for consumer awareness.

15. Sri Chandra Sekhar Reddy has requested the Commission that in order to expedite all the projects and to meet up the cause of energy conservation and energy efficiency, the proposal filed by AP DISCOMs in ARR for providing grants to APSEEDCO for energy efficiency developmental activities (Rs.1.27 Crs from APSPDCL, Rs. 0.73 Cr from APCPDCL and Rs. 1 Cr from APEPDCL) for FY 2021-22 may be approved. He has also requested to consider and approve all the proposals filed by AP DISCOMs in FY 2021-22 regarding Tariff and Aggregate Revenue requirement (ARR)

16. Sri Vamshee Srinivas, President, APSEBAEEA has stated that in order to pool revenue to the DISCOMs a special drive may be conducted for realising the arrears from the Government offices. That prepaid meters are the best solution for Government offices. That arrears of about Rs.4000 Cr. are to be paid by TS power utilities to AP Power utilities. That as per the Load forecast and Resource plan approved by the Commission for the 4th and 5th control periods, no RE capacity addition is required for the entire period and the DISCOMs may confine their capacity addition plans as per the Resource plan approved by the Commission. That APDISCOMs may approach CERC to get the profit benefit sharing from NTPC. That APGENCO units are fast in ramping up / down in that they are taking only one time block against that of six time blocks being taken by NTPC and LC Mechanism may be stipulated for APGENCO stations also like that of NTPC. That the cost of power from Central Generating Stations at State periphery has to be considered instead of the variable cost alone for working out merit order dispatch and the losses also to be included whereby the APGENCO stations will come first in the merit order dispatch. That few SERCs have given Regulations on power

procurement optimization in which certain parameters are stipulated to be followed before considering buying power from the exchanges like evaluation of minimum off take charges of the Fuel Supply Agreements (FSAs), adding CTU losses of nearly 2.5%, taking into account the factor for degradation of coal GCV and reactive power charges, DSM charges and GST. The same may also be taken into account by the DISCOMs.

17. Sri Kandregula Venkata Ramana has stated that the consumers using capacitors are getting higher bills when they do not switch off the capacitors and it is better that DISCOMs take up the maintenance of capacitors and awareness shall be created on maintenance of capacitors. That billing may be done on kWh basis instead of kVAh basis. That Bureau of Indian Standards (BIS) may be given representation in SAC so that usage of quality equipment can be monitored and enforced thereby maintenance charges will reduce and quality of supply will improve. That an internal digital magazine of the Commission consisting of the happenings in a particular period (one month or two months) may be brought out in which the orders of CGRFs may be included for the benefit of all the interested people. That field level advisory committees (Section / Division level) may be constituted and that the status of merging of RESCOs with DISCOMs is not known.

Hon'ble Chairman said that if the information on the status of merger of RESCOs with DISCOMs is required, the same will be provided by the Commission's office upon request.

18. Sri Venkata Ramana thanked Ms. Nagalakshmi, IAS, CMD, APEPDCL for being consumer friendly in sorting out the consumer related issues on top priority. He has requested that periodical updates of the happenings in the Commission may be given to the SAC Members along with uploading on the website.

19. Thereafter, the CMDs of APDISCOMs have given their replies as follows:

20. Ms. S. Nagalakshmi, IAS, CMD, APEPDCL, while thanking the members for their suggestions, has said that this year the DISCOMs have put all efforts to reduce the power purchase cost and the same will be maintained with prudence as the major component of expense is power purchase cost. That there is surplus power potential in the sector but whether the actual surplus power is generated or not is something that needs to be studied further. That dispatch instructions are given according to the demand only and the consumers are not unnecessarily burdened with the available surplus power. That the power from Renewable Energy Sector has seasonal variations and it is not being backed down unless the grid conditions demand the same. That all the

suggestions of the members regarding additional potential and surplus power will be examined to move forward in reducing the power purchase cost. That regarding the power allocation between DISCOMs, this year the district wise consumption has been reviewed and the allocation was modified and in the case of Renewable Energy also the Commission has permitted inter DISCOM transfer of energy and based on this, this years' figures of the sharing will be re-examined for taking up any modification required. That the suggestion on inclusion of certain costs to the power from central generating stations for reworking of merit order dispatch will be examined. That Regulation 4 of 2013 is being seriously implemented in APEPDCL and the specific cases raised by the members will be examined. That the GST what is being paid is only passed on to the consumers and any scope for reduction will be examined. That Regulation 2 of 2017 is also being strictly followed and APEPDCL has conducted awareness camps, training was given to the field staff, tool kits were given to the newly recruited Energy Assistants. That timelines for reporting and paying compensation are also followed and any delays are also being constantly monitored and ensuring that these are addressed and that the issues mentioned will also be discussed among the DISCOMs in detail and will try to implement the same for the next year.

21. Sri H. Haranatha Rao, CMD, APSPDCL while thanking the members for their suggestions, stated that providing free power to all farmers including income tax assesses is in the purview of the Government and also it is not a reasonable request. That Regulation 2 of 2017 is being strictly followed in terms of reporting and payment of compensation. That DISCOMs' survival is based on industrial growth and every effort will be made for promotion of the industrial sector and pointed out that in that line only industrial tariff was not enhanced since many years. That prepaid metering for all the Government offices is proposed to be installed by June 2022 by the DISCOMs. That the suggestion on having a Statewide study on the power sector like economic survey is welcome and will be examined. That DISCOMs have already policies in place and are being reviewed from time to time. That ARRs in telugu are made ready and will be placed on the websites of DISCOMs. That GST issue will be addressed in the next ARR. That the study and suggestions of PRAYAS are welcome and their studies may be shared with the DISCOMs to ascertain the weak points and where improvements can be made and DISCOMs would like to work with such organisations in the interest of the organisations and the public. That experiences of other States like Gujarat and Rajasthan in DBT implementation will be studied and better options will be adopted. That actions will be taken to minimize the accidents. That the suggestion on conducting

consumer surveys is welcome and will be taken up. That suggestion of seasonal ToD will be studied for implementation. That capacitor maintenance by the DISCOMs is difficult and awareness on usage of capacitors is already being created to the consumers. That BIS standards are already being followed. That SOP norms implementation will be further improved.

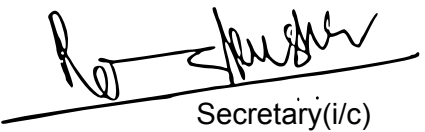
22. Sri J. Padmajanardhana Reddy, CMD, APCPDCL stating that the suggestions are well taken, said that the electrical accidents are reducing. That awareness on the importance of having earth pits and earth leakage circuit breakers is being created among the consumers. That employees are being trained on safety aspects. That phase detectors are also being provided to cut off the supply in case of conductor snapping and quality supply is being maintained. That old LT system is also being studied to be improved. That the DISCOMs are moving towards adoption of new technologies. That the advice on providing the details of number of employees per number of consumers will be followed and will be provided in the ARR. That the number of consumers migrating will also be furnished and the reasons for such migration will be studied to avoid the same. That on levy of GST on farmers, a letter will be addressed to the Government of India and if any provision is given, exemption will be considered. That no cases of consumers who are unable to pay the bills have come to the notice of DISCOMs and if such cases come, it will be studied appropriate action will be taken and that action plans are in place with the DISCOMs to tackle the event of natural calamities.

23. Hon'ble Chairman in his concluding remarks has said that the Commission, during the last one year, has been taking very effective steps and showing special interest in the performance of the DISCOMs, and stated few of them as below:

- a) That the power purchase is a complex situation where the assessment of availability of power is done theoretically and when it comes to the actual situation, particularly the RE power, it keeps varying. That, with the advent of the power market, the power is available at cheaper rates than that produced in the State such as the thermal power and the high cost RE power. Unlike earlier where the DISCOMs used to buy power and seek ratification from the Commission thereafter, the DISCOMs are given clear instructions by the present Commission that they need to apply at least fifteen days in advance for permission to procure power so that the situation is assessed by the Commission and a decision is taken. That as a result the DISCOMs have become more discreet to seek permission to purchase power and that the Commission is doing

its best to inculcate the sense of responsibility in the DISCOMs.

- b) That as regards to the dues from the Government offices, at least three D.O. letters were addressed either to the Chief Secretary, GoAP or the Secretary, Energy Department, GoAP and there being no response from them, the Commission has given a direction in writing to all the DISCOMs to take immediate measures for recovery of the dues and submit compliance reports and as a result at least a part of the arrears are now being recovered.
- c) That till recent times Standards of Performance (SoP) norms regulation was dormant, the Commission has activated the same and is regularly calling information on SoP achievements by the DISCOMs. That now the details of SoP achieved by the DISCOMs being placed on the website of the Commission through the software developed by the Commission, this will definitely bring pressure on the DISCOMs to perform better. That as per the suggestion of Sri Sreekumar the Commission will definitely try to improve the SOP implementation by the DISCOMS..
24. Hon'ble Chairman said that SAC meetings will be held periodically hereafter now that they are being conducted through video conferencing. The Hon'ble Chairman directed the DISCOMs to give their replies in writing to each one of the suggestions of the Members. That each and every suggestion will be kept in mind in the preparation of the Tariff order. The Hon'ble Chairman thanked all the members for participating in the meeting and giving effective and useful suggestions and assured of bringing out a generally acceptable Tariff Order for FY 2021-22 balancing the interests of the stakeholders.
25. Finally, the Secretary (i/c) of the Commission has thanked all the members and the CMDs of the DISCOMs for their participation and making the meeting a success.


Secretary(i/c)