



**ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION**

**MINUTES OF THE ELEVENTH MEETING OF THE**

**STATE ADVISORY COMMITTEE**

**HELD ON 26-10-2007 IN THE COMMISSION'S OFFICE**

**Present:**

1. Sri K.Swaminathan, Chairman, APERC (Chairman)
2. Sri Surinder Pal, Member
3. Sri R.Radha Kishen, Member
4. Sri Y.Harish Chandra Prasad
5. Sri T.Yogaiah Naidu
6. Lt.Col. M.Narayana Rao, Member
6. Sri S.S.Soin, Member
7. Sri M.Balarama Reddy, Member
8. Sri N.Janardhan, Member
9. Sri N.Sree Kumar, Member
10. Sri K.Raja Gopala Reddy, Secretary, APERC/SAC
11. Sri.S.Ramanuja Rao, Director (Engineering), APERC
12. Dr.Geeta Gouri, Director (Tariff), APERC

Sri K.Swaminathan, Chairman, welcomed the members and briefly narrated the important events that took place in the power sector since last meeting. He then asked the Secretary, Director (Engineering) and Director (Tariff) to make presentations on the main agenda for the meeting i.e. the information provided by Licensees on the Standards of Performance, report on the accidents by DISCOMs and Report on Regulatory Information Management System (RIMS) respectively.

2. Director (Engineering) made a presentation on report on the accidents by DISCOMs. During the presentation the points raised by the members and the clarifications given were as follows:

- a) Lt.Col. M.Narayana Rao, Member, stated that the number of poles, insulators, etc checked should be mentioned; else it is difficult to understand the percentage damage. To this Director (Engineering) responded that the figures would be obtained from the DISCOMs.
- b) Similarly, Sri.Harish Chandra Prasad, Member observed that the complete picture of existing numbers, number damaged, % damaged, cost implications should be given.
- c) Sri.Surinder Pal, Member added that the surveys should be conducted in a cycle and the results should provide figures of the number surveyed, number found damaged during each survey. Extent of work done and cost also should be reflected.
- d) Sri.S.R.Vijayakar, Member, asked whether there is any standard for span between poles and if so why are the Licensees going in for intermediate poles. To this Director (Engineering) clarified that intermediate poles are required at times due to sagging of the conductor and rising of road level.
- e) While the picture of damaged poles was being presented Sri.S.R.Vijayakar, Member, asked whether the figures are out of some inspection. Director (Engineering) clarified that the figures are out of survey conducted by the DISCOMs.
- f) Sri.Harish Chandra Prasad, Member pointed out that some analysis should also be presented instead of the mere figures. The analysis will be a more useful report for SAC members..
- g) Sri.S.R.Vijayakar, Member, enquired whether any workshops are conducted to educate students on safety. To this, Director (Engineering) clarified that it was not done.
- h) Sri.Harish Chandra Prasad, Member, enquired the time of initiation of Action Plan by DISCOMs. To this Director (Engineering) indicated that the Action plan was initiated in the preceding month.
- i) Sri.S.Soin, Member mentioned that he has got a photograph of a tower in Rajahmundry, which needs immediate attention. He also told about the accidents and interruptions.

To this, the Chairman asked Sri.Soin to submit the data along with the photograph so that the DISCOMs could be asked to submit a report in this regard.

- j) Lt.Col. M.Narayana Rao, Member, suggested that any advice should flow from top to bottom. The advice will be more affective, only when it comes from top, as the people at the bottom have numerous items of work to attend to and there is a chance that it is left unattended. He also suggested that some advertisements on safety should be telecast on TV especially on Sundays where a larger number of people would get a chance to view the advertisements.
- k) Sri.S.R.Vijayakar, Member, desired that the next year report on accidents should include the figures of this year and a comparison made.
- l) Sri.N.Sree Kumar, Member, observed that the root cause of the unauthorized works should be identified and it should be seen that unauthorized works are eliminated. In this regard Sri.Harish Chandra Prasad, Member, stated that compensation is being paid for accidents in relating to unauthorized works also, which is not correct.

3. Later, Director (Tariff) presented the RIMS Tariff module. During the presentation, the following points were raised and clarifications given:

- a) Sri. Harish Chandra Prasad, Member, suggested that for Open Access to be successful, the surcharge should come down. To this Director (Tariff) clarified that the surcharge equivalent to the amount of cross-subsidy only is levied. Sri.Harish Chandra Prasad, Member, also mentioned that as per Electricity Act, the cross-subsidy has to come down which has not been done.
- b) Sri.Yogiah Naidu, Member, mentioned that consumers with Load Factor of less than 70% are losing and there is no incentive for maintaining higher load factor. He requested that at least in the ensuing Tariff Order, this should be looked into.
- c) Sri.S.Soin, Member, told that they have also raised the same issue, as they have to heavily invest on capacitors to maintain load factor for which there is no incentive. To this, the Chairman stated that the issue would be looked into in the forthcoming Tariff Order.

- d) On the query of Sri.S.R.Vijayakar, Member, on the elimination of cross- subsidy, the Chairman clarified that as per the Amendment to Electricity Act-2003, cross subsidy need not be eliminated but has to be reduced.

4. Later, the Secretary presented the information furnished by Licensees on Standards of Performance. The queries raised and clarifications given are as follows:

- a) On the report on response to voltage complaints, Sri.Harish Chandra Prasad, Member, commented that the 100% response figures given by DISCOMs are not believable. Lt.Col.Narayana Rao, Member, requested that split-up of complaints into major and minor complaints is required to assess the performance of the Licensees. To this, the Chairman told that it would be looked into.
- b) On the report on burnt transformers, Sri.S.R.Vijayakar, Member, opined that if the quality of transformers is good, then the failure percentage should not be more than 1%. To this Director (Tariff) responded by stating that the Commission is collecting the data from DISCOMs for MYT and the data will be analyzed. Sri Surinder Pal Member commented that improvement is indeed required in this area and the percentage of failures has to come down.
- c) On the report of response to Normal Fuse-off calls, Sri. Harish Chandra Prasad, Member, commented that the standard, which says that the calls have to be attended in 4 working hours, does not make sense as the Fuse-off call offices work throughout 24 hours. Hence, working hours should be removed from the standard. To this Chairman stated that a review of the standards is required and will be taken up in due course.
- d) Sri.N.Sreekumar, Member, pointed out that in all the cases just not the percentage but the number of complaints and number of hours taken to rectify the complaints is very much required. To this Chairman observed that the average time taken to rectify the complaint should be recorded and shown.
- e) Sri.S.R.Vijayakar, Member, observed that since standards are set and the data collected, it is necessary that the end-result of the exercise i.e. the extent of consumer satisfaction is also known. A statistical survey should be conducted once in 3 years or 5 years to know about the consumer satisfaction.

- f) On the report on billing mistakes, Sri.S.R.Vijayakar, Member, queried as to why the billing mistakes are arising when spot billing has been taken up. To this Chairman told that the actual figures regarding the extent of spot billing would be obtained from Licensees.
  - g) On the report on bill payment facilities, Sri.Harish Chandra Prasad, Member, asked whether e-Seva is encouraged or departmental facilities are encouraged. Then, Chairman told that it is an informational report and this can be seen in view of the controversy on e-Seva. He further explained that during the public hearing, the Principal secretary/IT of State Government had told that e-Seva is just not catering to the payment of electricity bills but also to other services. One important feature of the e-Seva is that e-Seva server is connected to the servers of the Licensees whereby the data gets directly updated onto the servers of Licensees. This feature is not available in other modes like Rajiv centers etc. He also told that DISCOMs were asked to look into different options and discover the price.
  - h) Sri.Janardhan, Member, commented that due to outsourcing, there is no responsibility on the private service providers, operators and still in some cases, the staff of the Licensee were heavily penalized. To this Chairman told that the Commission has noted the point.
  - i) Sri.Harish Chandra Prasad, Member, requested that from the next meeting onwards instead of presenting only the data, analyses be also presented to the SAC. This was agreed to by the Chairman.
5. Later, Chairman mentioned that Sri.S.R.Vijayakar, Member, has some points for discussion mainly on standards of performance.
- a) Sri.S.R.Vijayakar, Member, has put forth his points saying that trees are being chopped off as they are coming in the way of overhead lines, which is not good for the environment. If we need to have a modern town, we should go for underground cables instead of overhead lines. Some DISCOMs are going in for this, but the work has to be expedited. He also told that the standards have to be revisited and a consumer satisfaction survey needs to be conducted.
  - b) Sri.S.R.Vijayakar, Member, suggested that the metering of DTRs should be done immediately. A few DTRs should at first be taken on pilot basis; meters fixed on them and losses

ascertained. Thereafter, the approach can be extended to all the DTRs. He also suggested that the Commission should take up the issue of DSM measures. He raised a query as to why the consumers should use ISI pumps when they do not understand the importance of the pumps. He stated that though most of the farmers have used capacitors as mentioned by Chairman, but there should be motivation for the farmers to use high efficiency pump sets. To this Chairman asked the Director (Engineering) to look into the matter as to what can be done by the Commission.

- c) Sri.M.Balarama Reddy, Member, stated that whatever improvement is done to the system, the results should go to the consumers. He pointed out that the staff at the substations is working without safety equipment. Farmers are dying due to unsafe environment like unearthed poles, etc. He also told that the transformers are getting overloaded and the lines are tripping. The restoration of power is not done immediately, due to which farmers are facing problems. He has requested that the power even though given for 7 hours should be uninterrupted and of quality. He suggested that training should be given to farmers on safety aspects so that at least some of the accidents can be avoided.
- d) Sri.S.R.Vijayakar, Member, stated that if a survey on consumer satisfaction is conducted, we would know as to what organizational changes need to be brought about in rural areas. He also stated that instead of providing lower standards for rural areas, we could improve the rural setup and bring them on par with urban areas.
- e) Sri.S.Soin, Member, suggested that in next Tariff Order, the connected load of 56kW could be increased to 100 kW under LT Supply. To this Chairman responded that it would be looked into in ensuing Tariff Order.

6. The Chairman thanked the Members for their active participation in the meeting and for their valuable suggestions.

**SECRETARY**