

**Minutes of the Meeting of the State Advisory Committee
Held on 16.6.2014 at 11.30 Hrs.**

As per provisions contained in Section 87 of the Electricity Act, 2003, the Delhi Electricity Regulatory Commission has constituted the "State Advisory Committee" and notified the same vide Gazette Notification No. F. 7(37)/DERC/2008-09/Vol.II, dated 28.11.2011.

Meeting of 13th State Advisory Committee (SAC) was held on 16.6.2014 at 11.30 Hrs. and the following were present.

Commission

- 1) Sh. P.D.Sudhakar, Chairman
- 2) Sh. J.P.Singh, Member
- 3) Sh. B.P. Singh, Member

Other Members of SAC (incl. their nominees):

1. Ms. Shruti Bhatia, Nominee of, IEX
2. Dr. R.K.Mishra, PTC
3. Sh. K. Ramanathan, TERI
4. Sh. Amarnath R. Talwade, Special Commissioner, (Nominee of Commissioner, Food Supplies & Consumer Affairs, GNCTD)
5. Sh. O.P. Gupta, Public Grievances Cell, Power Dept. GNCTD, Delhi
6. Sh. S.P. Goel
7. Sh. N.K.Sharma, DTL (Nominee of Pr. Secy., (Power))
8. Sh. Anil Sood
9. Sh. Miland Deora, Energy Economist, BEE (Nominee of Secretary, BEE)
10. Dr. G.C.Datta Roy, DESL
11. Sh. A.K.Gupta, DMRC
12. Sh. B.B.Tewari

Officers of the Commission

1. Ms. Jayshree Raghuraman, Secretary
2. Sh. Mahendar Singh, ED (Tariff)
3. Sh. U.K. Tyagi, ED (Engineering)
4. Sh. Sudhir Kumar Sharma, Advisor (Finance)
5. Sh. Mukesh Wadhwa, JD (Engg.)
6. Sh. Prashant Kumar, JD (T-F)
7. Sh. Sanjay Kumar Sharma, JD (PSE)
8. Sh. K.M.Varma, JD (Law)
9. Sh. Avdesh Kumar, Joint Secretary
10. Sh. Abhishek Moza, Deputy Secretary

The Chairman welcomed the Members of the State Advisory Committee and stated that the Committee may consider and discuss the issues placed before it and provide the Commission with their valuable suggestions.

During the course of discussions, the issues taken up, suggestions received as well as preliminary observations of the Members of the Committee are given below.

Item No. 1

Approval of Minutes of SAC Meeting held on 5.02.2014.

- The Committee considered and approved the minutes of the State Advisory Committee Meeting held on 5.2.2014 at 11.30 Hrs.

Item No. 2

Review of "Action Taken Report (ATR)" on issues discussed in the previous meetings.

- The Committee considered and noted the "Action Taken Report (ATR)" placed along with the agenda items. Some Members informed that they were unable to provide comments on the Draft DERC (Supply Code & Performance Standards) Regulations, Draft DERC (Power Regulatory Accounting) Regulations, Draft DERC (Proposal on Net Metering & Connectivity) in respect of Rooftop Solar PV Projects. The Members of the Committee were requested to provide the Commission with their detailed comments / suggestions on the above mentioned draft Regulations and proposal before 16.7.2014 for further consideration of the Commission

Item No. 3

Status of Petitions filed by Distribution Licensees of Delhi viz. BSES Rajdhani Power Limited (BRPL), BSES Yamuna Power Ltd. (BYPL), Tata Power Delhi Distribution Ltd. (TPDDL) and New Delhi Municipal Council (NDMC) for True Up of expenses for FY 2012-13, Annual Performance Review (APR) of FY 2013-14 and Aggregate Revenue Requirement (ARR) and Tariff for FY 2014-15.

- A presentation on Status/milestone of Petitions filed by Distribution Licensees of Delhi viz. BSES Rajdhani Power Limited (BRPL), BSES Yamuna Power Ltd. (BYPL), Tata Power Delhi Distribution Ltd. (TPDDL) and New Delhi Municipal Council (NDMC) for True Up of expenses for FY 2012-13, Annual Performance Review (APR) of FY 2013-14 and Aggregate Revenue Requirement (ARR) and Tariff for FY 2014-15 was made by Executive Director (Tariff), DERC. During the presentation, the Committee was informed about the Tariff determination exercise by SERCs, Tariff provisions of Electricity Act 2003 and chronology of events in respect of Tariff and ARR Petition for FY 2014-15 in DERC. During the discussion, Sh. Anil Sood informed that staff paper on Tariff Petitions does not include the Commission's analysis and views. Sh. B.B. Tiwari and Sh. K. Ramanathan suggested that SAC Members may assist the Commission in the preliminary analysis of staff paper in future. It was explained to the Committee that the staff paper is only the summary of the issues raised in the petition and detailed analysis by the Commission on the Petition is carried out after due process and Commission's views are indicated in the Tariff Order only. The Committee generally felt that the Commission may allow that one or two Members to assist the Commission for preparation of Staff paper. This was agreed to by the Commission.
- Sh. S. P. Goel was of the opinion that Commission should not carry on Tariff determination exercise till CAG report is made public. Sh. G.C. Dutta Roy explained that Tariff setting Principles under Regulations and Audit are completely different from each other as one is for the past and the other for future. The future work of tariff setting can not be stopped as it will be in violation of Electricity Act 2003 and APTEL judgment of Nov., 2011 in OP No. 1. After the Tariff setting if present financial assumptions change it will automatically be reflected in the future Tariff Order and hence it does not stop the Commission from Tariff determination. It was explained to the Members that while discharging its statutory functions

under EA 2003, the Commission is required to undertake various activities and the Commission is bound to ensure that Annual performance Review, true-up of past expenses, Annual Revenue Requirement and Tariff determination is conducted year to year basis as per the time schedule specified as per the provisions of Electricity Act 2003 and in regards to specific directions of APTEL in OP No. 1 of 2011. The APTEL Order in OP No. 1 of 2011 was circulated among the Members of the Committee for information and further reference. It was informed to the Committee that the final outcome of the CAG Audit shall be adjusted accordingly in the future Tariff Order.

Item No. 4

Proposed Roadmap for liquidation of Regulatory Assets of Distribution Licensees of Delhi viz BSES Rajdhani Power Limited (BRPL), BSES Yamuna Power Ltd. (BYPL), Tata Power Delhi Distribution Ltd. (TPDDL).

- A presentation on proposed Roadmap for liquidation of Regulatory Assets of Distribution Licensees of Delhi viz BSES Rajdhani Power Limited (BRPL), BSES Yamuna Power Ltd. (BYPL), Tata Power Delhi Distribution Ltd. (TPDDL) was made by Joint Director (Tariff-Finance). During the presentation the creation of Revenue gap of above mentioned Discom's was explained to the committee. Total variation on account of Power Purchase cost to the Revenue gap was also given to the Committee Members. In regards to above, proposed roadmap for liquidation of regulatory asset for BRPL & BYPL submitted to Supreme Court was explained to the committee members.
- Shri Anil Sood suggested that Power Purchase Cost submitted by the Discoms should be checked with the rates determined by the Hon'ble CERC. It was informed to the Committee that due diligence is done while approving power Purchase Cost and same is verified with CERC rates also.
- Sh. B.B Tiwari suggested that the Commission may inform about the number of pending cases in other courts such that consumers can also track the same and represent their views in other Courts also.

Item No. 5

Any other item with the permission of the chair.

- Dr Rajib K Mishra, a representative of PTC India Ltd. mentioned that correct forecasting is important for Delhi and proposed that PTC can assist Delhi Discoms in forecasting and optimization of Power purchases. Sh. G.C Dutta Roy suggested that sensitivity analysis may be undertaken by the Discoms and a presentation may be arranged on forecasting and optimization of power purchases by Discoms. The Committee welcomed the assistance offered by PTC India Ltd. and deliberated that further course of action may be decided by PTC India Ltd. with Discoms and decided that a presentation may be fixed on the same.
- The issue regarding poor services while lodging power complaints with customer care over phone was brought to the notice of the Committee by Sh. Anil Sood, Sh. B.B. Tiwari & Sh. S.P Goel. The consumers have to wait in a long queue over phone which consumes a lot of time and most of the time there is no response which leads to the dissatisfaction among the consumers. Further, it was proposed that toll free numbers may be implemented like Telephone companies have implemented.
- The Committee discussed the issue regarding the Open Access Charges determined by the Commission in last Order. The Members of the Committee welcomed the step taken by the Commission and felt that Open Access has been conceived as an important tool of

introducing competition in the electricity industry and ensuring choice to buyers and suppliers of electricity. The Committee also felt that Open Access charges as determined are little higher and may impede implementation therefore, the Commission may revisit the charges as calculated and if possible reduce the charges such that it may become more viable in Delhi.

- Sh B.B Tiwari and other Members raised the issue of public bulletin regarding prior schedule of power cuts. It was proposed that this information should be available on Licenses website & circulated in advance. Power cuts should be informed in advance and should not be for long intervals so as to ensure it is not inconvenient to the consumers.
- Sh. B.B Tiwari placed the issue regarding awareness programmes for consumers and it was suggested that the consumers in Delhi are not familiar with the tariff formulation process, role of DERC & other facts relating to the power sector. It is important to make consumers aware on such vital issues so that people get educated and a negative opinion due to wrong information is eradicated. It was therefore, proposed to organize Awareness campaigns & drives to educate the consumers.
- Ms. Shruti Bhatia, a nominated representative from Indian Energy Exchange raised the issue regarding enforcement of Renewable Purchase Obligation under DERC (Renewable Purchase Obligation and Renewable Energy Certificate Framework Implementation) Regulations, 2012. The Committee discussed the issue at length and suggested that Commission may consider appropriate directions in the Tariff Order FY 2014-15 to enforce the RPO strictly so that Delhi may meet with the required quantum. After the completion of the financial year the Commission may review the performance of the distribution licensees in respect of RPO and give directions as per the Regulations.

The meeting ended with vote of thanks to the Chair.