

**PROCEEDINGS OF THE 6th MEETING OF THE COMMISSION  
ADVISORY COMMITTEE HELD ON 25.9.02.**

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List of members present, members absent (with notice/leave of absence) and members absent (without notice) are as given in the Annex.

Chairman welcomed all the members of the Committee. He mentioned that, as a rule, members who are unable to attend the meeting should inform the Commission in advance and seek leave of absence. Regarding the filling up of vacant positions of members who have retired, Chairman informed the Committee that the proposals in this regard have been sent to the Government for the consultation necessary under the Act and that the views of Government are awaited.

With the separation of Distribution and Retail Supply from the activity of Transmission, it was felt by all members of the Committee that the MDs of the 4 ESCOMs should be invited to participate in the meetings of the Committee. It was felt that this is essential to have meaningful discussions and also to ensure follow up action on the recommendations of the Committee. Since the number of members of the Committee is limited by the Act, it was decided that the MDs of the ESCOMs should be asked to attend as permanent invitees with full authority to speak at the meeting and participate in its deliberations.

**1.1 Confirmation of the Minutes of the previous meeting:**

The minutes of the previous meeting (5th) have already been circulated and no comments have been received from any of the members. The minutes are confirmed as circulated.

**1.2 Overall Performance Standards related to Electricity Supply & Distribution:**

Mr. Naikwadi explained points raised by him in this connection in his letter dt.24.9.02 that was circulated to the members at the meeting. Essentially, he highlighted the problems in execution and implementation of the Performance Standards, especially in the light of the constraints, shortages of materials, etc., faced by the licensees. Mr. Naikwadi also mentioned that he had suggested certain solutions for the problems that he has highlighted.

Mr. H R Gopal, Member, stated that the draft of the Overall Performance Standards had been circulated widely amongst the KPTCL top management and their comments had been obtained and modifications made wherever it was found necessary. He stated that KPTCL has agreed to these Performance Standards.

Mr. Shankarikoppa, stressed the need for dis-incentives that would be attracted if the Performance Standards were not met. He also wanted a specific confirmation from KPTCL that the Licensees are really committed to implementation of these Standards.

Mr.Raghavendra Rao, GM(Tech)/KPTCL representing MD/KPTCL confirmed that KPTCL would take all efforts to implement the Standards.

After discussions, the Committee approved the overall Performance Standards.

### **1.3 Review petition filed by KPTCL against Tariff Order 2002:**

The Committee perused the Review Petition filed by the KPTCL against the Tariff Order 02 and noted its contents. Chairman informed the Committee that the matter is pending before the Commission for a decision.

### **1.4 Annual Accounts of the Commission for the year 2001-02:**

The Committee perused the Annual Accounts of the Commission for the year 2001-02 and noted the contents thereof.

### **1.5 ANY OTHER SUBJECTS;**

#### **(1) Compliance of the Licensees to the Directives given in Tariff Order 2002:**

Chairman responded to Committee Members who desired to be apprised about the compliance of the licensees to the directives given in Tariff Order 2002 by stating that an exclusive meeting of the Commission Advisory Committee to discuss this particular issue would be held on **8.11.02 at 10.30 AM** in the office of the Commission. All the members are requested to treat this as advance notice of the date of the next meeting. The Committee also decided that a compliance report from the licensees relating to the various directives would be sought latest by 24.10.02 and that the same would be circulated to the members in advance.

#### **(2) Letter dt.23.9.02 written by Mr.Shankarikoppa & Mune Gowda:**

The Committee also discussed the letter dt.23.9.02 written by Shri M.S.Shankarikoppa and Shri S Mune Gowda. Shri Raghavendra Rao, GM(Tech)/KPTCL stated that since the letter had been received very late it has not been possible for KPTCL to furnish a reply immediately. He explained to the Committee that the drought situation in the State had lead to a reduction in availability of power and that Government had imposed a ceiling of 80 MU per day for the over all consumption in the State and this has been apportioned and divided amongst the 4 ESCOMs. Because of this, he stated that the power supply is inadequate. Mr.Shankarikoppa pointed out that the issue was not the overall shortage of the absolute availability of power but the manner in which the available power was being distributed. He stated that there should be no discrimination between the rural and urban consumers or between the consumers in one rural area as compared to another. He stated that though there is an assurance of a few hours of supply all over the State, several rural areas have no supply for days together. He stated that the distress caused by

shortage of power is to be shared equally and wanted to know whether KPTCL agreed to this basic principle. Mr. Raghavendra Rao stated that this principle was acceptable to KPTCL. However, it was noted by the Committee that there were numerous complaints about the discrimination in supply of the available power to various rural areas. After discussion, KPTCL was directed by the Chairman to furnish the reply to the various points raised in Mr.Shankarikoppa's letter latest by 3.10.02. Chairman also informed the Committee that the Commission would be holding separate discussions with the licensees in this regard.

**(3) West Bengal High Court order staying tariff revision  
Order of WBERC:**

Regarding the West Bengal High Court order Chairman stated that it would not be appropriate to discuss the same since the matter was pending before the Supreme Court.

**(4) Public hearing on Distribution Margin Methodology:**

Regarding the Public Hearing on the Distribution Margin methodology, Chairman mentioned that as and when the Government proposed to make amendments to the KER Act, 1999, to facilitate implementation of the DM method, the matter would have to be referred to the Commission for its views in terms of Section 12(2) of the Act and the Commission would examine at that stage whether a public hearing in this regard could be held.

**(5) Parameters of comparison for the 4 Distribution  
Companies' performance:**

Regarding the parameters for comparison of the performance of Distribution Companies, Chairman informed the Committee that the Commission would be shortly writing to the Government for Consultancy to be assigned to prepare a profile of the business of each of the 4 DISCOMs on the same line as has been done in Andhra Pradesh. Similarly the Government would also be asked to assign the study of the capital investment projections of the DISCOMs to Consultants.

Sd/-  
(Philipose Matthai)  
Chairman.