APPENDIX

REVIEW OF COMPLIANCE OF COMMISSION’S DIRECTIVES

The Commission, in its Tariff Order dated 14th May 2018, and in its earlier Tariff Orders, has issued several Directives. The Commission has been reviewing the compliance thereof, on a regular basis. In the present proceedings also, the Commission has reviewed the compliance to the Directives. The Commission besides reviewing the existing directives, decides to elaborate and clarify them for continued compliance. The same are discussed below:

1) Directive on conducting Consumers’ Interaction Meetings (CIMs) in the O & M sub-divisions for redressal of consumer complaints:

The Commission had directed that the Hukeri RECS shall ensure that Consumers’ Interaction Meetings (CIM) chaired by the Manager Director, are conducted in each of its O&M sections according to a pre-published schedule, at least once in every three months. Further, the consumers were to be invited to such meetings giving advance notice through emails, letters, Hukeri RECS’s website, local newspapers etc., to facilitate participation of maximum number of consumers in such meetings. The Hukeri RECS was required to ensure that the proceedings of such meetings are recorded and uploaded on its website, for the information of consumers. Compliance in this regard was to be reported once in three months to the Commission, indicating the dates of meetings, the number of consumers attending such meetings and the status of redressal of their complaints.

If Hukeri RECS were to fail to ensure the conduct of the Consumers’ Interaction Meetings as directed, the Commission had declared to consider imposing a penalty of up to Rs. One lakh per O&M sub-division/section per quarter for each instance of non-compliance and also directed that such penalty shall be recovered from the Managing Director who fails to conduct such meetings.

Compliance by the Hukeri RECS:

It is submitted that the Hukeri RECS has been conducting Consumers’ Interaction Meetings in each O & M section and the Managing Director chairs
such meetings. The Hukeri RECS has notified the schedule in the local newspaper indicating the time and venue of the consumer interaction meetings and following table indicates the details of the meeting:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Sections</th>
<th>Date &amp; place of the meeting</th>
<th>No. of consumers attending the meeting</th>
<th>Issues raised</th>
<th>Issues resolved</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hukeri-I</td>
<td>15-11-2018 Hukeri</td>
<td>12</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>2</td>
<td>Hukeri-II</td>
<td>15-11-2018 Hukeri</td>
<td>16</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>3</td>
<td>Bellad Bagewadi</td>
<td>15-11-2018 Hukeri</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>4</td>
<td>Sultanapur</td>
<td>15-11-2018 Hukeri</td>
<td>28</td>
<td>28</td>
<td>27 &amp; one resolved subsequently on 18-11-18</td>
</tr>
<tr>
<td>5</td>
<td>Sankeshwar</td>
<td>17-11-2018 Sankeshwar</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>6</td>
<td>Kanagala</td>
<td>17-11-2018 Sankeshwar</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>7</td>
<td>Hebbal</td>
<td>17-11-2018 Sankeshwar</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>8</td>
<td>Yamakanmardi</td>
<td>17-11-2018 Sankeshwar</td>
<td>6</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>9</td>
<td>Hidkal Dam</td>
<td>17-11-2018 Hukeri</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Commission’s Views:**

The Hukeri RECS has submitted the details of consumer’s interaction meetings conducted in its jurisdiction during 3rd quarter of FY19 only. The Hukeri RECS was directed to submit the details of the CIMs conducted during the 1st and 2nd quarters of FY19. In its replies, Hukeri RECS has submitted that, is a small distribution utility, hence has taken up the CIM only during 3rd quarter. But, has assured to conduct the CIM during the 4th quarter and also in future in every quarter.

The Commission had reiterated its directions to the Hukeri RECS to conduct the consumer interaction meetings in the sections chaired by the Managing Director, Hukeri RECS to effectively redress the consumer grievances. The
Commission notes from the submissions made by Hukeri RECS that, such meetings are being conducted on a single day in many of the sections.

The Commission is of the view that the dates of such meetings in the sections should be staggered in a quarter, so that the Managing Director can chair the meetings and is able to redress all the complaints relating to supply of electricity effectively. Accordingly, the Hukeri RECS is directed to conduct consumer interaction meetings at the sections on different designated dates.

Further, the Commission desires that, such meetings are strictly chaired by the Managing Director and not by any other officer. The Commission also declares that, if the consumer interaction meetings are conducted in the sections without the participation of the Managing Director, then it will be considered as non-compliance of the Commission’s directives and the Commission would consider imposing a penalty of up to Rupees One lakh per O&M subdivision/section per quarter for each instance of non-compliance and also direct that such penalty shall be recovered from the Managing Director towards non-conduct of such meetings.

Hukeri RECS to conduct consumer interaction meetings once in a quarter, to redress the consumer grievances relating to supply of electricity. Advance notices shall be sent to the stakeholders by email / website and through SMS (wherever they are in the consumer database) well in advance. A compliance report (Quarterly) shall be submitted to the Commission regularly in the format given below, along with a copy of the proceedings of each meetings.

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Name of the Circle</th>
<th>No. of Subdivisions existing</th>
<th>No. of Subdivisions in which CIM is conducted</th>
<th>Name of the Subdivision</th>
<th>Date on which O&amp;M conducted</th>
<th>Name of the Officer Chairing the CIM</th>
<th>No. of Consumers attended</th>
<th>No of Complaints Received</th>
<th>No. of Complaints disposed</th>
<th>CB</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2) Directive on preparation of energy bills on monthly basis by considering 15 minute’s time block period in respect of EHT / HT consumers importing power through power exchange under Open Access.

The Commission had directed the Hukeri RECS to ensure preparation of energy bills on monthly basis by considering the 15-minute’s time block period in respect of EHT / HT consumers importing power through power exchange under Open Access. That, the Hukeri RECS shall implement the directive forthwith and the compliance regarding the same shall be submitted monthly to the Commission, regularly.

Compliance by the Hukeri RECS:

The Hukeri RECS in its jurisdiction has 37 numbers of HT installations and none of them are availing Open Access. Therefore, HRECS is not in a position to submit details in this regard. However, in future, if any of the HT consumers in jurisdiction of Hukeri RECS, source power through Open Access, then the Hukeri RECS will implement this directive and submit compliance to the Commission.

Commission’s Views:

The Commission notes that at present the Hukeri RECS doesn’t have any HT consumer sourcing power through open access. However, in future, if any of the HT consumers in its jurisdiction source power through Open Access, then the Hukeri RECS should implement this directive and submit compliance thereon once in a quarter regularly.

3) Directive on Energy Conservation:

The Commission had directed that, Hukeri RECS to service new installations only after ensuring that the equipment installed in the consumer’s premises are BEE ***** (Bureau of Energy Efficiency five-star rating) rated viz., Air Conditioners, Fans, Refrigerators, etc., are energy efficient.

On similar lines, Hukeri RECS was directed to service all new streetlight / high mast installations including extensions made to the existing streetlight circuits,
only after ensuring that LED lamps / energy efficient lamps like induction lamps are provided to the street light points.

Also, the Commission had directed the Hukeri RECS to take up programmes to educate all the domestic, commercial and industrial consumers, through the media and by distributing pamphlets giving details on the benefits of using five-star rated equipment certified by the Bureau of Energy Efficiency in reducing their monthly electricity bills and conservation of precious energy along with monthly bills.

**Compliance by the Hukeri RECS:**

The Hukeri RECS has submitted that it has already started complying with the directive issued by the Commission and servicing all the new installations only after ensuring that the BEE ***** (Bureau of Energy Efficiency five-star rating) rated Air Conditioners, Fans, Refrigerators, etc., are being installed in the consumer’s premises. On a further test check of new installations serviced in the last six months, where Air Conditioners, Fans, Refrigerators, etc., are being used in the consumer premises, it was found that they conform to the energy efficiency standards.

**Commission’s Views:**

The Commission observes from the compliance submitted by the Hukeri RECS that, it has not submitted the details for having implemented the directive. It is noted that the same status is being furnished to the Commission in the previous Tariff Order also, which means that Hukeri RECS has not made any fresh progress on the ground. In this regard, the Hukeri RECS should verify whether there is any progress made in the field in servicing of the BEE star rated Air Conditioners, Fans, Refrigerators, etc., in the consumers’ premises. The Hukeri RECS is directed to implement this programme by reviewing the current progress / status of implementation.

The Commission observes that the Hukeri RECS has not submitted the compliance regularly on implementation of the directive. Further, it is also
observed that Hukeri RECS has merely stated that it is insisting on servicing the consumer installations with 5 star rated equipment without elaborating on this or submitting the detailed progress made in detail. The Commission is of the view that, merely insisting the consumer to provide 5 star rated equipment without actually doing nothing in the field is highly misleading and amounts to non-compliance of the directive by the Hukeri RECS. The Hukeri RECS needs to verify factually as to whether there is any progress made in the field in servicing of the BEE 5-star rated equipment such as Air Conditioners, Fans, Refrigerators, etc., in the consumers’ premises. Also, The Hukeri RECS needs to review the implementation of the directive with the field officers periodically to know about the progress.

The Commission notes that the Hukeri RECS has not submitted the compliance in respect of ensuring and providing of LED lamps / energy efficient lamps while servicing of new streetlight / high mast installations including extensions made to the existing streetlight circuits. This shows that the Hukeri RECS has not implemented the directive in its letter and spirit, to take forward the initiative of conservation of energy.

To start with, Hukeri RECS could have issued instructions to all its officers to ensure use of BEE five-star rated Energy Efficient Appliances in their offices. Hukeri RECS also has not mentioned on effective steps being taken in the field to ensure that all new installations are serviced only when BEE five-star rated Air Conditioners, Fans, Refrigerators, etc., are installed in the consumers’ premises. Hukeri RECS has not even submitted the details / current status of the scheme in its tariff filing. On the whole, the Commission finds that the progress in implementation of this directive is very poor. Therefore, the Commission directs Hukeri RECS to focus on effective implementation of this directive by reviewing periodically the progress of implementation in the field and take necessary corrective steps.

Further, the Commission directs Hukeri RECS to conduct the awareness programs to the consumers / public, for use of LED bulbs, energy efficient electrical equipment etc., by making use of the fund reserved for customer
relation / consumer education program. Hukeri RECS shall use only energy efficient bulbs and appliances in some of its offices and demonstrate their benefits to the general consumers.

The Commission reiterates that the Hukeri RECS shall continue to service all the new installations only after ensuring that the BEE ***** (Bureau of Energy Efficiency five-star rating) rated Air Conditioners, Fans, Refrigerators, etc., are being installed in the consumers’ premises, to service all new streetlight / high mast installations including extensions made to the existing streetlight circuits, only after ensuring that the LED lamps / energy efficient lamps like induction lamps are provided to the street light points and the compliance thereon shall be submitted to the Commission once in a quarter on a regular basis. Inspection by jurisdictional Assistant Executive Engineers / Executive Engineers of new installations, selected on random basis shall be undertaken to cross check adherence to the directive by the field offices.

4) Directive on Introduction of HVDS - Reduction in the Distribution Losses:

In view of the obvious benefits in the introduction of HVDS in reducing distribution losses, the Commission had directed Hukeri RECS to implement High Voltage Distribution System in its jurisdiction by utilizing the capex provision allowed in the ARR for the year.

Compliance by the Hukeri RECS:

It is submitted that the Hukeri RECS is complying with the directive issued by the Commission.

Commission’s Views:

The Commission based on the report of the expert committee and the suggestions by Sri B.S. Hanumanthappa, a member of the State Advisory Committee that implementation of the HVDS in the ESCOMs is not beneficial to the distribution system, was of the view that the HVDS should be implemented by following the guidelines issued by the Commission, only wherever it is techno-economically viable.
The Commission, had therefor issued directions to Hukeri RECS, not to take up or not to submit any further proposals of HVDS, until further orders.

**Now taking these developments into consideration, the Commission withdraws its directive on implementation of HVDS and directs Hukeri RECS not to take up any such works, until further orders.**

5) **Directive on Nirantara Jyothi – Feeder Separation:**

The Commission had directed the Hukeri RECS to implement Nirantara Jyothi Yojana in its jurisdiction and furnish monthly reports to the Commission regarding the progress of its implementation.

The Hukeri RECS was directed to furnish to the Commission the programme of implementing 11 KV taluk-wise feeders’ segregation with the following details:

- a) Number of 11 KV feeders considered for segregation.
- b) Month-wise time schedule for completion of envisaged work.
- c) Improvement achieved in supply after segregation of feeders.

**Compliance by the Hukeri RECS:**

It is submitted that, the Hukeri RECS has commissioned 17 feeders out of 19 feeders taken up for implementation under NJY schemes. The remaining two number of feeder will be completed by March, 2019. The report of CPRI is awaited and further results / benefits will be analysed and appraised to the Commission. Further, the Hukeri RECS is vigilant and is not allowing its NJY feeders being tapped by other consumers. Hukeri RECS is submitting the Feeder-wise IP set energy consumption based on feeder energy meters in respect of agricultural feeders segregated under NJY every month.

**Commission’s Views:**

The Commission notes that the Hukeri RECS has commissioned 17 feeders out of 19 feeders taken up under NJY scheme. However, there has been an inordinate delay in completion of the NJY works which has resulted in non-realization of envisaged benefits to the organization, as per the DPR.
The Hukeri RECS is directed to commission the remaining two feeders taken up as committed and thereafter carry out the feeder-wise analysis to ensure that the objectives set out in the DPR are accomplished. Further, the Hukeri RECS shall ensure that, any illegal tapping of NJY feeders by the farmers for running their IP-sets should be stopped. Failure to stop this illegal activity will defeat the very purpose of feeder segregation works undertaken at huge cost and therefore, the Hukeri RECS needs to take stern action on such offenders. Further, the field officers / officials who fail to curb illegal tapping shall be personally held responsible for these irregularities.

It is noted that the Hukeri RECS has already segregated 17 number of feeders under NJY works and consequently the energy consumed by the IP sets could be more accurately measured at the 11 KV feeder levels, at the sub-stations, duly considering the distribution losses in 11 KV lines, distribution transformers and LT lines. Therefore, the Commission directs the Hukeri RECS to continue to report every month, the specific consumption and the overall IP set consumption, only on the basis of the data from energy meters installed to the agricultural feeders, as per the prescribed formats. Any data furnished based on other assumptions will not be considered by the Commission.

The Commission reiterates its directive to the Hukeri RECS to continue to furnish feeder-wise IP set consumption based on energy meter data taken from agriculture feeders segregated under NJY, to the Commission every month.

6) Directive on Demand Side Management in Agriculture:

In view of the urgent need for conserving energy for the benefit of the consumers in the State, the Commission had directed the Hukeri RECS to take up replacement of inefficient Irrigation Pumps with energy efficient Pumps approved by the Bureau of Energy Efficiency, in its jurisdiction and report compliance thereon.
Compliance by the Hukeri RECS:

It is submitted that the Hukeri RECS is bound by the directive issued by the Commission. All new irrigation pump sets are verified before servicing the installation to ensure that operational standards of such irrigation pump sets especially coils inside the pumps are within the permissible limit of reactive power. Apart from this, the consumers are being educated to make them know the uses / advantages of the energy efficient pumps.

Commission’s Views:

The Commission observes that the Hukeri RECS has not taken seriously the implementation of DSM measures in its jurisdiction. The compliance submitted by the Hukeri RECS is very much generic and cannot be considered as compliance.

The Commission notes that the Hukeri RECS has so far not taken any concrete action to implement the Agricultural DSM measures in its jurisdiction. The progress / status reported this year is same as that of previous years, that too without any appreciable change in the field. The Commission while emphasizing the need for implementation of DSM in agriculture, during its Review Meetings held with the distribution licensees, has been directing them to initiate DSM measures, in view of huge potential for energy savings in the agricultural sector which needs to be tapped to derive the optimum benefits on completion of such programmes. Therefore, the Hukeri RECS is directed to implement the DSM measures aimed at conserving energy and also precious water for the benefit of farmers.

The Commission directs the Hukeri RECS to take up the implementation of DSM measures in its jurisdiction. The compliance thereon shall be submitted to the Commission, within three months from the date of this Order.
7) **Directive on Optimizing Transformer Capacities:**

The Commission had directed the Hukeri RECS to undertake a systematic audit of transformer loads on a quarterly basis and ensure that transformers installed are of optimum capacity, keeping in view the load to be serviced.

**Compliance by the Hukeri RECS:**

It is submitted that the Hukeri RECS has ensured that the distribution transformers installed are of optimum capacity with regard to connected loads on them and to reduce energy losses prevailing in the distribution system. In this connection it is brought to the notice of the Commission that during FY 18, the Hukeri RECS has installed additional 170 numbers of various capacities of transformers to ease off the loads on the existing transformers. Further, the Hukeri RECS will report on the issue regularly, in future.

**Commission’s Views:**

The Commission notes that the Hukeri RECS has conducted audit of transformer loads and also installed additional transformers to ensure that the loading on the transformers is optimized. The Commission desires that the Hukeri RECS shall submit the audit report, at least quarterly. The Commission reiterates its directive to Hukeri RECS to ensure that the distribution transformers installed are of optimum capacity with regard to connected loads on them, to reduce energy losses prevailing in the distribution system.

The Hukeri RECS shall conduct audit of transformer loads to ensure that the loads on the transformers are optimized to reduce losses. The Hukeri RECS is directed to report compliance thereon to the Commission, regularly, once in a quarter.

8) **Directive on Service Centers for improved Responsiveness:**

The Commission, with a view to improve services to the consumers, had directed that the distribution licensees to suitably re-organize their field operations. The Commission was also of the view that Hukeri RECS should
introduce a system of ‘Service Centers’ manned by a group of 4-5 maintenance workers with appropriate transport facility to enable them to move to the affected areas quickly with necessary maintenance materials and equipment. The operational area and the level of maintenance work and complaints that can be attended to by the ‘Service Centers’ could also be appropriately defined. In view of the improved communication network in the rural areas, such Centers can function even in the rural areas very effectively. The maintenance crew in the Service Centers can also be utilized to keep a vigil over cases of unauthorized use of electricity and prevent theft of power by obtaining assistance from the local revenue or police authorities wherever necessary. The Commission directed that Hukeri RECS shall introduce the system of adequately equipped ‘Service Centers’ and report the results of its operations along with details of additional expenditure to the Commission.

Compliance by the Hukeri RECS:

The HERCS has submitted that:

i) It has established a service centre in Hukeri taluk for dealing with consumer complaints. Also, the Hukeri RECS is conducting regular consumer interaction meetings and facilitating consumers to attend such meetings by inviting them through publication of notices in the local newspapers.

ii) As directed, the Hukeri RECS has also established the CGRF at Hukeri Head Quarters. However, not a single petition has been submitted before the CGRF. The Hukeri RECS has once again notified CGRF meeting to be held on 29-11-2017 at Hukeri RECS in Kannadamma newspaper dated 23-11-2017, a kannada daily having wide circulation in Hukeri area. Hukeri RECS wishes to bring to the notice to the Commission that, despite concerted effort by the Hukeri RECS, the response from general public and consumers is poor.

iii) Similarly, Hukeri RECS has also notified about the CGRF meeting on 12-11-2018, in the News Paper. The meeting was postponed to 13-11-2018 owing to death of Hon’ble central minister Shri H. N. Anantkumar. There was no
response from the consumers to the meeting on 13.11.2018. However, Hukeri RECS would continue to notify the date for conducting CGRF.

Commission’s Views

The Commission notes that Hukeri RECS has established a Service Centre to deal with the consumer complaints and also conducting the consumer interaction meetings for redressal of their complaints relating to supply of electricity. The Commission is of the view that the Hukeri RECS needs to ensure prompt response to the consumer complaints regarding interruptions in power supply which may be due to breakdown of lines / equipment, failure of distribution transformers etc. The Hukeri RECS is also directed to strive to reduce the time taken to attend the complaint, in order to ensure prompt response to the consumer complaints.

Further, the Commission directs the Hukeri RECS to conduct CGRF meetings regularly for redressal of complaints. Also, wide publicity should be continuously made in the local newspapers regarding the availability of CGRF mechanism in the Hukeri RECS, so that more and more consumers are able to avail its services, for redressal of their grievances relating to supply of electricity. The Hukeri RECS is directed to report the compliance thereon, to the Commission, regularly once in three months.