

APPENDIX

NEW DIRECTIVES AND REVIEW OF COMPLIANCE OF PREVIOUS DIRECTIVES ISSUED BY THE COMMISSION

1. **The following new directives are issued by the Commission:**
 - i. **Directive on conducting Consumers' Interaction Meetings in the O & M sub-divisions for redressal of consumer complaints:**

During the Public Hearings held by the Commission to hear the views, comments & suggestions of the consumers and other stakeholders on the ESCOMs' Tariff applications, it was brought to the notice of the Commission by the consumers that the Consumer Interaction Meetings chaired by the Superintending Engineers, in the O&M sub-divisions of ESCOMs are not being conducted regularly, thus denying them of the opportunity to attend such meetings to air their complaints/ grievances pertaining to supply of electricity and any others issues. The consumers have urged the Commission to ensure that ESCOMs take necessary action to make the sub-divisions conduct Consumer Interaction meetings regularly to hear and address the consumer grievances.

The Commission strongly opines that if the ESCOMs conduct consumer interaction meetings regularly, not only most of the grievances of the consumers could be redressed in such meetings, the ESCOMs could also redesign/realign their operations and investments on capital and other works to optimally deliver better and satisfactory service to the consumers. Such development could also increase the efficiency and revenues of the ESCOMs.

Hence, the Commission hereby directs the Hukeri RECS to ensure that Consumer Interaction Meetings chaired by the Managing Director are conducted in each O&M section according to a pre-published schedule, at least once in every three months. Further, the consumers shall be invited to such meetings in advance through emails, letters, notices on Hukeri RECS's website, local newspapers etc., to facilitate participation of

maximum number of consumers in such meetings. The Hukeri RECS should ensure that the proceedings of such meetings are recorded and uploaded on its website, for the information of consumers. Compliance in this regard shall be reported once in three months to the Commission, indicating the date, the number of consumers attending such meetings and the status of redressal of their complaints.

If the Hukeri RECS fails to ensure conduct of the Consumer Interaction Meetings as directed, the Commission would consider imposing a penalty of up to Rupees one lakh per O&M section per quarter for each instance of non-compliance, and also direct that such penalty shall be recovered from the Managing Director who fails to conduct such meetings.

ii. 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 has noticed that, year on year, there has been a substantial increase in the number of EHT and HT consumers of the distribution licensees opting for open access resulting in substantial volume of energy being procured through Power Exchanges, which imposes a burden on the SLDC, in grid management.

Further, in accordance with the stipulations in Clause 6.3 (f) of the Karnataka Electricity Grid Code (KEGC), 2015, under the chapter on Operation Planning, in order to facilitate demand estimation for operational purpose, the distribution licensee is required to provide to the SLDC, on a day ahead basis, at 09.00 hours each day, its estimated demand for each 15-minute block, for the ensuing day. The distribution licensee is also, required to provide to the SLDC, the estimates of loads that may be shed, when required, in discrete blocks, with the details of arrangements of such load shedding. Consequent to such stipulation the distribution licensees are required to prepare monthly energy bills in respect of EHT/HT consumers importing power through power exchange

under Open Access, by considering 15 minute's time block. However, it is observed in rare cases this billing requirement is not being complied with by the distribution licensees.

In view of this, the Commission directs the Hukeri RECS to ensure preparation of energy bills on monthly basis by considering the 15 minutes time block period in respect of EHT/HT consumers importing power through power exchange under Open Access. The Hukeri RECS shall implement the directive forthwith and the compliance regarding the same shall be submitted monthly from May, 2017 onwards, to the Commission, regularly.

2. Review of Compliance of Existing Directives:

The Commission had in its earlier Tariff Orders and other communications issued several directives for compliance by the Hukeri RECS. While reproducing such directives, the compliance of the directives as reported by the Hukeri RECS is analyzed in this Section.

i. Directive on Energy Conservation:

The Commission had directed the distribution licensees 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 applicant consumers' premises.**

Similarly, all new streetlight/high mast installations including extensions made to the existing streetlight circuits shall be serviced only with LED lamps/energy efficient lamps like induction lamps.

Further, the Commission had directed the distribution licensees to take up programmes to educate all the existing domestic, commercial and industrial consumers, through media and distribution of pamphlets along with monthly bills, regarding the benefits of using five-star rated equipment certified by the Bureau of Energy Efficiency in reduction of their monthly electricity bills and conservation of precious energy.

Compliance by the HRECS:

The Hukeri RECS has already started obeying the directive issued by the Commission.

Further, the Hukeri RECS has received around 16,000 LED bulbs from KREDL and the same have been distributed to domestic consumers for replacement of existing energy inefficient bulbs. The Hukeri RECS is also encouraging domestic consumers for replacement of the existing inefficient bulbs by LED bulbs. The result of the programme is being analyzed.

Commission's Views:

The Commission observes that the Hukeri RECS has not submitted the compliance regularly on implementation of the directive. It is also observed from the compliance that the Hukeri RECS has merely stated that it has started obeying the directive but the details having implemented the directive have not been submitted. The Commission views it seriously the non-compliance of its directive by the Hukeri RECS. The Hukeri RECS is directed to verify whether there is any real progress made in the field in servicing of the BEE star rated Air Conditioners, Fans, Refrigerators, etc., in the applicant consumers' premises. In this regard, the Hukeri RECS shall also review the progress/status of implementation of the directive with the field staff periodically.

Further, it is also important that the Hukeri RECS takes up continuous awareness programme to educate the consumers about the benefit of using the energy efficient appliances in their premises to ensure that penetration of energy efficient appliances is increased significantly.

The Commission reiterates that the Hukeri RECS shall 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 applicant consumers' premises and the compliance thereon shall be reported to the Commission once in a quarter regularly.

ii. 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 HRECS:

Hukeri RECS has taken up preliminary survey on one IP-set feeder for implementation of HVDS. The DPR is being prepared and the same will be submitted to Energy Department, GoK, for releasing the grant for the project.

Commission's Views:

The Commission has issued the revised guidelines for implementation of HVDS in feeders having the highest distribution losses, so that a higher loss reduction could be achieved on implementation of the HVDS. The Commission notes that the Hukeri RECS has not initiated any step to implement the HVDS in its jurisdiction as a part of its capex, except informing that the DPR is being prepared and the same will be submitted to the Energy Department, GoK, for its approval. As seen, there is no progress in implementation of HVDS in its jurisdiction as the status is same as that of the last year only.

The Commission directs the Hukeri RECS to implement the HVDS as per the revised guidelines and to report the progress/compliance thereon to the Commission regularly once in a quarter.

iii. 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.

Compliance by the HRECS:

The Hukeri RECS will study the pilot project implemented in the HESCOM and will be simultaneously approaching the Energy Efficiency Services Limited (EESL), New Delhi, for executing Demand Side Management (DSM) in the jurisdiction of Hukeri RECS.

Further, the Hukeri RECS has received around 16,000 LED bulbs from KREDL and the same have been distributed to domestic consumers for replacement of existing energy inefficient bulbs. The Hukeri RECS is also encouraging domestic consumers for replacement of the existing inefficient bulbs by LED bulbs. The result of the programme is being analyzed.

Commission's Views:

The Commission notes that there is no progress in implementation of DSM in agriculture by the Hukeri RECS. The Commission also observes that the Hukeri RECS has not taken any concrete action in the field towards implementation of DSM measures in its jurisdiction, seriously.

The Commission is of the view that there is a huge potential for energy saving in the agricultural sector which needs to be tapped by implementing the scheme as early as possible and derive the optimum benefits on completion of the same. In this regard, much emphasis should be given for implementation of DSM measures aimed at conserving energy and also precious water for the benefit of farmers.

Further, the Commission while emphasizing the need for implementation of DSM in agriculture during its review meetings held with the ESCOMs, has been directing them to initiate DSM measures.

The Commission directs the Hukeri RECS to expedite the implementation of DSM measures in its jurisdiction and complete the same at the earliest and

compliance thereon shall be submitted to the Commission within three months from the date of this Order.

iv. 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.

Compliance by the HRECS:

The Hukeri RECS has implemented the NJY scheme and presently 11 feeders have already been commissioned and the work pertaining to 6 feeders is nearing completion.

Further, the Hukeri RECS has requested M/s CPRI, to carry out analysis of the feeders commissioned under NJY. After submission of analysis report by the CPRI, the same will be submitted to the Commission.

Commission's Views:

The Commission notes that the Hukeri RECS has commissioned totally 11 feeders out of 17 feeders taken up for implementation under NJY scheme. But, Hukeri RECS has not expedited the said works as can be seen from its compliance that the works in respect of 6 feeders are not yet completed. The delay on the part of Hukeri RECS to implement the NJY works has only resulted in non-realization of envisaged benefits set out in the DPR when the project was initiated.

The Hukeri RECS is hereby directed to complete and commission the remaining 6 feeders expeditiously and after that to carry out the analysis of those feeders so as to ensure that the objectives set out as per the DPR are accomplished. Further, the Hukeri RECS shall continue to ensure that NJY feeders are not tapped illegally for running IP-sets which would defeat the very purpose of feeder segregation scheme undertaken at huge cost.

Further, it is noted that the Hukeri RECS has already segregated 11 feeders under NJY works and consequent to this, agricultural feeders are exclusive from rural loads and the energy consumed by the IP-sets could be more accurately measured at the 11 KV feeders at the sub-stations after duly allowing for distribution losses in 11 KV lines, distribution transformers and LT lines. The Hukeri RECS is directed to report every month, specific consumption and the overall IP-set consumption only on the basis of reading data obtained from agricultural feeders' energy meters as per the formats prescribed by the Commission.

The Commission reiterates its directive to the Hukeri RECS to continue to furnish feeder-wise IP-set consumption based on feeder energy meter data to the Commission every month in respect of agricultural feeders segregated under NJY.

v. Optimizing Transformer Capacities:

The Commission directs that Hukeri RECS should 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 HRECS:

The Hukeri RECS is installing additional distribution transformers in locations where the existing distribution transformers are over-loaded to reduce the load and to maintain optimum capacity.

Commission's Views:

The Commission observes that the Hukeri RECS has not submitted the quarterly reports regarding the systematic audit of distribution transformers undertaken by it in its jurisdiction. 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 Commission directs the

Hukeri RECS to report compliance in the matter, to the Commission regularly once in a quarter.

vi. Service Centers for Improved Responsiveness:

The Commission is of the view that in order to improve the services to consumers, the distribution licensees must suitably reorganize their field operations. The Commission is 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 directs 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 HRECS:

The Hukeri RECS will establish a service center for dealing with consumer complaints. The area of operation HRECS is only a taluka. Hence, constitution of one CGRF will be sufficient. The HRECS has already sent the names of two of its officials to function as members of CGRF to be constituted by Commission and requested the Commission to constitute a CGRF by nominating a person in accordance with the KERC Regulations vide HRECS letter No.3668, dated 13.12.2013. The matter is still under the consideration of the Commission. The HRECS assures that the CGRF will start functioning immediately after due constitution of the CRRF by the Commission.

Commission's Views:

The Commission is of the opinion that the distribution licensees should establish service centers in each O&M unit for effectively attending to the consumer complaints with regard to interruptions in power supply, defect in meters, billing errors etc. The Hukeri RECS should 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.

Further, the Commission vide its order No: KERC/D/02/16-17, dated 06.05.2016, has already constituted a CGRF in the jurisdiction of Hukeri RECS with its Managing Director as the chairperson and its Resident Engineer as Member. Subsequently on 29.08.2016, a non-official Member of the CGRF was also nominated by the Commission. This means, constitution of the CGRF in the jurisdiction of the Hukeri RECS has been completed in all respects long back. This leaves that the Hukeri RECS has to conduct meetings regularly in accordance with the KERC (CGRF & Ombudsman) Regulations, 2004 and its amendments from time to time.

Therefore, the Commission directs the Hukeri RECS to conduct CGRF meetings regularly for redressal of complaints. Further, Hukeri HRECS is directed to establish Service Centers and conduct regular consumer interaction meetings in each O&M section to effectively address the consumer complaints and report the compliance thereon to the Commission regularly once in three months.