

CHAPTER – 3

PUBLIC CONSULTATION - SUGGESTIONS / OBJECTIONS & REPLIES

- 3.1 In pursuance of the provisions of Section 64 of the Electricity Act, 2003, the Commission has undertaken the process of public consultation, to obtain suggestions/views/objections from the interested stake-holders, on the application filed by the MESCOM, for Annual Performance Review for FY16, approval of ERC and Revised ARR for FY18 and approval of revised retail supply tariff for FY18, under the MYT Regulations. In the written submissions as well as during the public hearing, the Stake-holders and the public have raised several objections/ suggestions, on the Tariff Application.
- 3.2 The names of the persons who have filed written objections and made oral submissions are given below:

List of persons who have filed written objections:

Sl.No	Application No.	Name & Address of Objectors
1	AE-01	Sri. Prem Chand, Chief Electrical Traction Engineer, South Western Railway.
2	AE-02	Smt.Shrotri Bhatia, VP (Regulatory Affairs & Communication), Indian Energy Exchange.
3	MB -01	Sri.Anantha Padmanabha, Shimoga.
4	MB -02	Sri Charles Pereira, "Puneeth Sadan", Shirwad, Karwar (N.K.Dist)
5	MB-03 to MB-176	Sri. Ravindra Gujra Shetty, Secretary, Udupi District Krushika Sangha and others.
6	MA-01	Sri Suryanarayana , Vice- President Mangalore SEZ Limited.
7	MA-02 to MA-13	Sri. Ramakrishna Sharma and others, Udupi District Krushikara Sangha
8	MA-14 to MA-16	Sri.K.Narasimha Murthy Naik & Others Thirthathalli.
9	MA-17	Sri. Pascal Dias, Koppa
10	MA-18	K.N.Ventakagiri Rao, Secretary, Consumer Forum, Sagar
11	MA-19	Sri.D.Subrahmanya Bhat, Bantval Taluk, Dakshina Kannada District
12	MA-20 to 24	Sri.Vishwanath Shetty &Others ,Udupi District.

13	MA-25	Sri. Bujanga V. Poojari, Udupi District.
14	MA-26	Sri. Balasubramanya Bhat.J, Belathangadi Taluk.
15	MA-27	Sri Yagnanarayana M.N., General Secretary, Laghu Udyog Bharati - Karnataka
16	MA-28	Sri. Prem Chand, Chief Electrical Traction Engineer, South Western Railway.
17	MA-29	Sri. Anwar Basha, Sagar.
18	MA-30	Sri. Manudev, Thirthahalli.
19	MA-31	Sri. Nithraram Bhat, Thirthahalli.
20	MA-32	Sri.B. Praveen, Hon General Secretary, KASSIA.
21	MA-33	Sri. Rajendra Suvarna, The Karnataka Coastal Ice Plant and Cold Storage Owners Association.
22	MA-34	Sri. Praveen Kumar Kalbhavi, Secretary, KCCI
23	MA-35 to MA-49	Sri. Swathy Bhagavath& Others Chitpady, Udupi
24	MA-50 to MA-61	Sri. Ravindra Shetty & Others, Kundapur Taluk.

3.3 The gist of the objections, replies by MESCOM and the Commission's views are given in **Appendix-1** of this order.

3.4 To elicit the views of the stakeholders and interested persons, the Commission held a public hearing at Mangaluru on 27.02.2017. In the public hearing, the following persons made oral submissions before the Commission. A List of the persons who made oral submissions during the Public Hearing on 27.02.2017 is as under:

Sl. No.	Names & Addresses of Objectors
1	Sri. B.V. Poojari, President, Bharatiya Kissan Sangh, Udupi District.
2	Sri. Satyanarayana Udupa, General Secretary, Bharatiya Kissan Sangh, Udupi District.
3	Sri. Govinda Raju Bhat, Secretary, Bharatiya Kissan Sangh, Karkala Taluk.
4	Sri. Shanthappa Gowda, President Bharatiya Kissan Sangh, Dakshina Kannada.
5	Sri. Udaya Kumar, General Secretary, Karnataka Cold Storage Owner's Association.

6	Sri. Anil Savoor, Karnataka Planters Association, Chickkamagalur.
7	Sri. Jeevan Saldana, President Kanara Chamber of Commerce (KCCI) Mangalore and Kanara Small Industries Association, Baikampady.
8	Sri K. Parameswarappa, Principal Secretary, Bharatiya Kissan Sanga, Karnataka South Region.
9	Sri. Shoban Babu, Secretary, Vidyuth Balakedara Sangha.
10	Sri. Ramakrishna Sharma, Udipi District Krushi Sangha.
11	Sri. Srinivass Bhat, Secretary, Udipi District Krushi Sangha.
12	Sri.K.N.Venkatagiri, BalakedaraVidke Sangha.
13	Sri.Balasubramanya Bhat, Secretary, Savayava Krushi Parivar.
14	Sri. V. Suryanarayana, COO, MSEZ.
15	Sri.A.G. Pai, JBM Petro Chemicals, MSEZ.
16	Sri. Narasimha Naik, Pump set Balakedara Sangha, Thirthahalli.
17	Sri. Hanumantha Kamath, President, Nagareekara Hitarakshana Samithi, Mangaluru.
18	Sri. D Sagayamani Raj, Divisional Electrical Engineer, South Western Railways.
19	Sri. Eshwar Raj, Photo Journalist, Mangaluru.

3.5 The gist of the submissions made during the Public Hearing held on 27.02.2017.

1	It is not proper to increase the tariff every year, instead MESCOM should improve its services to the consumers and reduce the Tariff.	<p>MESCOM has replied orally to the points raised by the public.</p> <p>MESCOM has also assured the Commission that it will look into the operational issues raised by the participants and address them suitably.</p>
2	The revenue gap of Rs. 700/- crore stated by MESCOM can be managed if the dues of Rs. 1200/- crore to MESCOM is collected.	
3	Pension & Gratuity amount of Rs. 239/- crore should not be allowed by the Commission, as the same will burden the consumers.	
4	Reasons for erosion of share capital of Rs. 2000/- crore as stated by the MESCOM are not known.	
5	MESCOM's capex has not reached 60% to 70% every year and therefore, capex only to the extent of capex achieved needs to be considered while fixing the tariff to the consumers.	
6	MESCOM has distributed around 29 lakhs of LED bulbs, in which 60% of them are not working now. But, MESCOM is not responding properly to the consumers' request for replacement. MESCOM should also take up awareness regarding availability of LED bulbs.	
7	During off season, Ice manufacturing plants under LT are operated for maintenance purpose only. Therefore, the condition mentioned in the Tariff Order to claim off-season concession should be removed.	

	This facility should also be extended to HT installations.	
8	LT4 C(i) & (ii) were earlier categorized under LT4(a), at least tariff at current rates for these categories should be retained.	
9	Small scale industries are not faring better, therefore, tariff concession should be extended as in Kerala state. Also, Tamilnadu has not sought any tariff hike for FY16-17.	
10	The energy meters fixed to IP sets have become old; MESCOM should replace them immediately. LT lines have become old / deteriorated. Because of this, energy losses are more and public accidents are caused. Hence, MESCOM should replace these lines.	
11	MESCOM is not supplying 3 phase 7 hours power and within this 7 hour also, power interruptions are caused due to line repair taken up by the field staff.	
12	Since, 50% of the IP sets are not working in the field, IP consumption submitted by MESCOM should not be considered.	
13	Consumer interaction meetings have not been conducted for the last 1 ½ years.	
14	MESCOM has not displayed the SoP parameters in its O&M offices but it is claiming that the details of SoP have been displayed.	
15	MESCOM's calculation of specific consumption of IP-sets as 4,448 units/installation/annum is not correct as the actual specific consumption is only about 2500 units/installation/annum. Hence, the Commission should take a tough decision on this.	
16	All IP set installations should be provided with energy meters.	
17	MESCOM has spent only Rs. 46 Crore as against Rs. 70 crore for line improvement and now for the current year it has sought Rs. 300 crore, which is not justifiable.	
18	Hospitals & Educational Institutions have been categorized under HT2c(i) and are extended concessional tariff which is not correct as they are not passing on the benefits to their customers. Hence, the same should be immediately stopped.	
19	In future hold Public Hearing on Tariff proposals of MESCOM in Shivamogga for enabling larger participation of consumer from that part.	
20	MESCOM should be directed to introduce/provide a " Mobile app " for consumer complaints and their proper redressal.	
21	MESCOM is not allowing HT commercial consumers to provide sub-meters to the tenants, resulting in excess collection by the consumers from their tenants, therefore sub-meters should be allowed for these installations.	

22	As the Railways have not increased the charges for the passengers for a long period, the proposed Tariff hike by MESCOM will increase the cost of train travelling. Railways use supply for its domestic consumers on bulk supply, hence, concessional tariff should be extended to such use.	
23	Meter readers are not reporting not-recording meters resulting in loss of revenue to MESCOM on account of average billing.	
24	MESCOM is not conducting DTC-wise energy audit, hence, in the absence of energy audit, Tariff hike is not justified.	
25	Recent development suggests that excess supply of power is available in the country and hence the cost of procurement of power will come down, Tariff should be reduced like in Gujarat.	
Commission's Views: The Commission has considered the points relating to the tariff raised by the public / stakeholders and the replies given by the MESCOM, while passing this Tariff Order.		