

MINUTES OF THE MEETING OF THE TASK FORCE
FOR
“IMPLEMENTATION OF FOR RECOMMENDATIONS”

Venue : CERC, Conference Room, Chanderlok Building
Janpath, New Delhi.

Date : 03rd September, 2009

Members Present :

- (1) Dr. Pramod Deo, Chairperson, CERC/FOR
- (2) Shri A. Raghatham Rao, Chairperson, APERC
- (3) Dr. V.K. Garg, Chairperson, JERC for UTs
- (4) Shri D.C. Samant, Chairperson, RERC
- (5) Shri K.Venugopal, Member, DERC
- (6) Shri Vishwanath Hiremath, Member, KERC
- (7) Shri Alok Kumar, Secretary, CERC
- (8) Shri Sushanta K. Chatterjee, Deputy Chief (RA), CERC.

Chairperson, CERC/FOR welcomed the Members of the Task Force.

2. Secretary, CERC apprised the Members of the various recommendations made by the Forum of Regulators (FOR) on the following areas :

- (a) Protection of Consumer's Interest
- (b) Loss Reduction Strategies
- (c) MYT & Distribution Margin
- (d) Policies on Renewables.
- (e) Open Access – Theory & Practices
- (f) DSM & Energy Efficiency
- (g) Staffing of Electricity, and
- (h) Metering Issues

3. Secretary, CERC also informed that some of the recommendations require framing of model regulations for their proper implementation and for bringing about harmony in approach to the issues on which consensus has been evolved in FOR.

4. After a discussion on prioritising the work of the Task Force, it was decided that process of framing model regulations be taken up first on the recommendations on “Renewables” and “Protection of Consumer Interests”. It was also felt that **DSM and Energy Efficiency** was another area of critical importance on which model regulations should be framed immediately. The Task Force discussed the recommendations made by the Forum and agreed on the following :-

(i) **Model Regulations on Renewables.**

It was decided that a detailed study be commissioned

- to estimate the potential of various RE sources in different States;
- assess the projected demand of electricity in the area of the distribution licensee (s) in each State;
- analyse the impact of various scenarios of specifying Renewable Purchase Obligation (RPO) on tariff; and
- to recommend, based on the above findings, the desirable minimum RPO to be specified by each State Commission (i) till REC mechanism is in place and (ii) after REC mechanism has been operationalised.

The study should give due consideration to the recommendations of FOR on the minimum level of RPO in the context of goals set up National Action Plan on climate change and the enabling framework of REC being evolved.

(ii) **Protection of Consumer Interest.**

- (a) It was decided that the consensus evolved by the Forum on the composition of CGRF, appointment to the office of Ombudsman, funding, budget etc. regarding CGRF and Ombudsman be codified by evolving model regulations.

The exercise study should involve

- comparative analysis of the provisions on other aspects in the regulations framed by various SERCs under section 42 (5) and (6) of the Act, (it was decided that the regulations framed by the SERCs of Rajasthan, AP, Delhi and Maharashtra may be studied by the Consultant), and

- based on the analysis, model regulations for specifying guidelines for CGRF and Ombudsman be evolved incorporating the FOR recommendatgions and bestg practices on other aspects.
- (b) The Task Force felt that so far as the model regulations on Consumer Advocacy are concerned, more suggestions may be invited from SERCs before finalizing the view on the scope of the model regulations in this regard.
- (iii) **DSM and Energy Efficiency.**

Secretary, CERC/FOR informed that Bureau of Energy Efficiency (BEE) has already been assisting the Forum of Regulators (FOR) in framing model regulations on

- Institutionalisation of DSM in utilities.
- appraisal of programmes of DSM and Energy Efficiency in distribution sector.
- Monitoring and Verification protocols for various DSM programmes which may be undertaken by utilities.

It was also informed that M/s. ABPS Infrastructure Advisory, Mumbai, is assisting the BEE in evolving the model regulations.

Chairperson, CERC/FOR desired that model regulations evolved by BEE be placed before this Task Force for taking a final view.

5. It was also decided that for the aforementioned two assignments - one on "Renewables" and the other on "Protection of Consumer Interests", limited tender may be invited from amongst the consultants already working with FOR Secretariat. It was decided that FOR Secretariat would prepare a Terms of Reference (TOR) for the said two assignments and invite bids at an early date and commission the assignments as per the decision of the Task Force.

The meeting ended with a vote of thanks to the Chair.
