

FORUM OF REGULATORS (FOR)



ANNUAL REPORT **2006 – 07 & 2007-08**

FORUM OF REGULATORS (FOR)

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1. THE MANDATE

The Forum of Regulators (FOR) was constituted vide Notification dated 16th February, 2005 in pursuance of the provision under section 166(2) of the Electricity Act, 2003. The Forum consists of Chairperson of Central Electricity Regulatory Commission (CERC) and Chairpersons of State Electricity Regulatory Commissions (SERCs). The Chairperson of CERC is the Chairperson of the Forum. The Central Government has made the following rules for Forum of Regulators.

Constitution of the Forum. –

- (1) The Forum shall consist of the Chairperson of the Central Commission and Chairpersons of the State Commissions. The Chairperson of the Central Commission shall be the Chairperson of the Forum of Regulators.
- (2) The Secretary to the Central Commission shall be the ex-officio Secretary to the Forum.
- (3) Secretarial assistance to the Forum shall be provided by the Central Commission.
- (4) The headquarter of the Forum will be located at New Delhi.

Functions of the Forum. –

The Forum shall discharge the following functions, namely:-

- (i) analysis of the tariff orders and other orders of Central Commission and State Commissions and compilation of data arising out of the said orders, highlighting, especially the efficiency improvements of the utilities;
- (ii) harmonization of regulation in power sector;
- (iii) laying of standards of performance of licensees as required under the Act;
- (iv) sharing of information among the members of the Forum on various issues of common interest and also of common approach;
- (v) undertaking research work in-house or through outsourcing on issues relevant to power sector regulation;
- (vi) evolving measures for protection of interest of consumers and promotion of efficiency, economy and competition in power sector; and
- (vii) such other functions as the Central Government may assign to it from time to time. .

Finances of the Forum.-

- (1) The Central Commission may take necessary financial contributions from the State Commissions for carrying out the activities of the Forum.
- (2) The Central Commission will keep separate accounts for the activities of the Forum.

MEMBERS OF FORUM OF REGULATORS (FOR) 2006-07

S. No.	Name of ERC	Name
01.	CERC	Shri Ashok Basu
02.	Andhra Pradesh ERC	Shri K. Swaminathan
03.	Assam ERC	Shri Pranab Kumar Bora
04.	Bihar ERC	Justice (Retd.) B.N.P. Singh
05.	Chhattisgarh State ERC	Shri S.K. Misra
06.	Delhi ERC	Shri Berjinder Singh
07.	Gurajat ERC	Shri G. Subba Rao
08.	Haryana ERC	Shri Bhaskar Chhatterjee
09.	Himachal Pradesh ERC	Shri Yogesh Khanna
10.	J&K State ERC	Shri K.B. Pillai
11.	Jharkhand State ERC	Shri S.K.F. Kujur
12.	Karnataka ERC	Shri K.P. Pandey
13.	Kerala State ERC	Shri C. Balakrishnan
14.	Madhya Pradesh ERC	Shri P.K. Mehrotra
15.	Maharashtra ERC	Dr. Pramod Deo
16.	Meghalaya State ERC	Shri Vinay Kohli
17.	Orissa ERC	Shri Bijoy Kumar Das
18.	Punjab State ERC	Shri Jai Singh Gill
19.	Rajasthan ERC	Shri Shanti Prasad
20.	Tamil Nadu ERC	Shri A. Balraj
21.	Tripura ERC	Shri S.S. Chakraborty
22.	Uttar Pradesh ERC	Shri Vijoy Kumar
23.	Uttarakhand ERC	Shri Divakar Dev
24.	West Bengal ERC	Shri S.N. Ghosh

INTERACTION WITH HON'BLE MINISTER OF POWER :

An interaction of Chairpersons and Members of all Electricity Regulatory Commissions with the Hon'ble Minister of Power was held on 20th – 21st April 2006 at New Delhi. The Central Commission coordinated this meeting in which the Regulators shared their experiences on the functioning of the Regulatory Commissions. The Hon'ble Minister of Power was apprised of the various significant steps taken, orders/regulations issued by the Regulatory Commissions towards implementation of the provisions of the Electricity Act, 2003. The Regulators also shared the problems being faced by them in discharging their functions as an independent institution. In the two-day long meeting the issues arising out of the Tariff Policy, harnessing of surplus captive generation, rising cost of traded power, and consumer advocacy mechanism were discussed.



ACTIVITIES DURING THE YEAR 2006 – 07

In the year 2005-06, two meetings were conducted whereas during 2006-07, four meetings were held.

THIRD MEETING

The **third meeting** of the FOR was held during 20th – 21st April 2006 at New Delhi.

In the two-day long meeting the following specific issues were discussed:

- Issues arising out of the Tariff Policy
- Harnessing of Surplus Captive Generation
- Rising Cost of Traded Power
- Consumer Advocacy Mechanism



The following important decisions were taken in the meeting:-

❖ **Tariff Policy related issues**

- The Tariff Policy has identified certain actions for the Regulatory Commissions and the Forum of Regulators. The Regulatory Commissions have already taken actions on several counts as appreciated by the Minister of Power. Some of these are indicated below:
 - Distribution Open Access regulations have finalized by 22 SERCs
 - Terms & Conditions for Tariff announced by 16 SERCs
 - Performance standards have been set by 13 SERCs

- Consumer grievance redressal forum and Ombudsman have been institutionalised by 19 SERCs
 - Electricity Grid Code has been issued by 13 SERCs.
 - ToD Tariff has been introduced by several SERCs
 - Terms and Conditions for integration of captive generation with grid and purchase by licensee have been finalised by several SERCs
 - Orders on obligation to purchase power from renewable sources have been issued by several SERCs
 - The Regulatory Commissions have initiated actions towards implementation of intra-State ABT. Some State Commissions have finalized orders in this regard and others would finalize them in near future.
- Two Groups were constituted to deliberate and make recommendations on three issues arising out of the Tariff Policy
 - (I) One Group consisting of Chairpersons of APERC, CSERC, GERC, JSERC, KERC, KSERC, TERC, UPERC, UERC and WBERC (i) to deliberate and make recommendations on Distribution Margin as the basis for allowing returns in distribution business; and (ii) to review the return on equity in distribution. This Group would meet on 12th May, 2006 at Bangalore. KERC undertook to make necessary arrangements.
 - (II) The second Group consisting of Chairpersons/Members of Bihar, Chhattisgarh, Delhi, Haryana, Kerala, Tamil Nadu, Uttar Pradesh and Uttaranchal to deliberate on the operating norms for distribution. This Group will meet on 12th May, 2006 at DERC's Office.
 - Para 5.1 of the Tariff Policy mandates all future procurements of power from private power projects through competitive bidding. The Ministry of Power has recently issued a clarification stipulating inter alia that a project for which appraisal by the Financial Institutions has started before 06th January, 2006 would be treated as falling outside the scope of clause 5.1 of the Tariff Policy if in such a case the final PPA has been filed before the Regulatory Commission by 30th September, 2006. The Forum of Regulators feels that such a stipulation has the potential of encouraging several projects to come up on MOU route as against the spirit of having a competitive regime for power procurement.
 - The Tariff Policy has stipulated a formulation for computation of Cross Subsidy Surcharge. Application of this formulation leads to wide variation in determination of surcharge. The powers to determine surcharge vest with the Regulatory Commissions and as such it should be left to the Forum of Regulators to evolve consensus in this regard.

❖ **Harnessing of Surplus Captive Generation**

- Harnessing of surplus captive generation is crucial to mitigate huge shortages as also to encourage distribution open access and consumer choice.
- As recommended by the FOR Group constituted for the purpose, it was decided unanimously that various charges levied on the Captive Generation for sale of surplus power to the grid would be rationalized.
- SERCs were urged to encourage the utilities to procure firm committed supply from captive generation. For such purchases – (i) the tariff could be benchmarked or (ii) a maximum and minimum ceiling price could be fixed or (iii) the price could be linked to frequency linked UI rates.
- Standby arrangements for backup supply to an open access consumer shall be provided by the incumbent licensee on payment of charges equivalent to temporary connection charges.
- Some States have already determined temporary connection charges. Others would specify such charges in near future.

❖ **Consumer Advocacy Mechanism.**

- Several State Commissions have taken pro-active role in reaching out to the consumers to apprise them of the regulatory actions and also to ensure that their interests are protected and grievances redressed by the distribution licensees.
- Some State Commissions have set up dedicated consumer advocacy cells to effectively monitor compliance of performance standards and redressal of grievances of consumers. Others would also set up such cells in near future.
- State Commissions were urged to have regular interface with consumer groups.
- It was also decided to require the licensees to use the back of the electricity bill for dissemination of information regarding Consumer Grievance Redressal Forum, Ombudsman etc.

❖ **Rising Cost of Traded Power**

- The Forum expressed concern over the trend of rising cost of traded power and that regulators needed to intervene in this matter in the interest of consumers. Member, OERC stated that the issue was pending before the Appellate Tribunal and the Forum should wait for their decision. It was, however, felt that no injunction had been issued by any authority and therefore, Forum was fully within its rights to discuss the issue.
- Various measures were discussed. It was reiterated that the authority available with the State Commissions under section 86 (1)(b) of the Act should be used more rigorously to put a check on the procurement of power by the distribution licensee beyond a ceiling price to be determined by the State Commission. State Commissions were also urged to use their authority under the Act to discourage artificial price volatility and keep the price within reasonable limits. The regulators who have allowed utilities

under their jurisdiction to trade power at a particular rate or ceiling should ensure that the power is traded within that ceiling amount.

10. It was also decided that the following important issues be taken up with the Ministry of Power by the Chairperson, Forum of Regulators :-

(a) Status of continuation of State Electricity Boards (SEBs) –

The SEBs are being allowed the fresh lease of life at regular intervals with the mutual consent of Central and State Government. The Government should specify the terms and conditions for continuation of SEBs with due regard to the various schemes of operation under the Electricity Act, 2003.

(b) Separate Funds for ERCs under the Act –

The Act provides for Special Fund for the Electricity Regulatory Commissions with a view to ensuring financial autonomy. In some States, Fund Rules have been notified with the concurrence of the CAG while in others as also for CERC such Rules have not yet been operationalised. This issue should be taken up with the Ministry of Power requesting its intervention to issue uniform Fund Rules for all Regulatory Commissions in the country.

(c) Supporting Staff and infrastructure –

In some States, SERCs have been constituted merely to avail funds under APDRP Scheme. Necessary support in terms of staff, infrastructure and funds has not been extended to the SERCs. This should be brought to the notice of the Ministry of Power with the request that APDRP funds should not be released to the States unless they provide necessary infrastructure support to the ERCs by way of staff, accommodation, finances etc. and the utilities file their tariff petitions.

(d) Consumer Grievance Redressal Forum Rules –

The Rule as framed by the Government of India runs counter to the guidelines issued in this regard by some State Commissions. Request may be sent to Secretary (Power) to make suitable amendments in the rules as the powers to frame guidelines on the subject vested with the State Commissions under the Act.

(e) Surcharge formula in Tariff Policy –

It was felt that a uniform formula for cross subsidy surcharge for the whole country was neither desirable nor practicable, given the wide diversity in power sector reforms and socio-economic development. Ministry may be requested to take up the matter with the Union Cabinet so that Para 8.5 of the Tariff Policy is suitably modified since section 42(2) of the Electricity Act clearly mandates that the surcharge shall be “as may be determined by the State Commission”.

(f) Legislative Assembly observations on OERC Orders on Open Access Regulations

OERC Regulation for Open Access in Distribution was placed before the Orissa Legislative Assembly. The Legislative Assembly made following amendments in the Regulation:

- All cases of Open Access shall be allowed by OERC with approval of the State Government.
- The application fee will be Rupees One Lakh per MW.

The above two amendments may have an adverse impact on Open Access cases in the State. Ministry of Power may be requested to take up the matter suitably with the Government of Orissa.

FOURTH MEETING

1. The **fourth meeting** of the FOR was held during 23rd – 26th July, 2006 at Leh, Jammu & Kashmir.



BUSINESS SESSION (AGENDA ITEMS) -

5. **Review of Reports of Sub-Groups constituted by FOR on :**

(I) Distribution Margin and Return on Equity –

- A Group was constituted by FOR to deliberate and make recommendations on the comprehensive approach on Distribution Margin and a common approach on Rate of Return on Equity for Distribution.
- The Group met twice – first on 12th May, 2006 at Bangalore and subsequently on 28th and 29th June, 2006 at Hyderabad.
- Shri A.K. Sachan, Secretary, CERC who was also a Member of the Group briefly apprised the FOR about the deliberations held in the two meetings. He informed the Members that on the Return on Equity (ROE), consensus had been reached and it was recommended that ROE of 14% should be adopted for distribution. About the recommendation on Distribution Margin, Shri Sachan informed that a draft recommendation was under consideration by the Group and the final report of the Group would be circulated to the FOR soon.
- On the recommendation of the Group for ROE of 14% in distribution, Shri Basu, Chairperson, CERC/FOR requested the Chairpersons of SERCs to express their views. There was a consensus on adopting 14% ROE for distribution by all SERCs except MERC and UPERC who felt that they would like to continue with the ROE of 16% as already stipulated by them in their Regulations.

(II) Operating Norms for Distribution –

- Another Group was formed by FOR to make recommendations on Operating Norms for Distribution Utilities. This Group met on 12th May, 2006 at New Delhi. The Group had recommended that it would be imperative to develop a system linking the Rate of Return to achieving the performance benchmark and for this purpose, a Consultant be appointed by FOR.
- The issue as to whether a Consultant needed to be engaged for the purpose was discussed and it was felt that there being a lot of common ground between the concept of operating norms for distribution (being examined by this Group) and the approach on lines of distribution margin (being examined by the other Group), the Group which has been constituted to develop the approach on Distribution Margin would also deliberate on the issues raised by the other Group and make a consolidated recommendation on both these aspects. Therefore, a Consultant might not be engaged for the purpose.

6. Submission of Tariff Application by Licensees and Issue of Tariff Orders by ERCs.

The status of submission of Tariff Application by Licensees and Issue of Tariff Orders by ERCs was reviewed by the Chairperson.

7. Training Modules for -
(i) Chairperson/Members of ERCs (3 days);
(ii) Officers and Staff of the ERCs (9 days)

- Two proposals of training programmes – one for Chairperson/Members of ERCs and the other for Officers/Staff of ERCs as submitted by TERI to Ministry of Power, and forwarded by the Ministry for FOR's consideration, were discussed.
- It was decided that the training programme for Officers/Staff of ERC could be designed and organized. However, the duration should be limited to six (6) working days. It was also felt that this should be an one-off event to start with and only based on the feedback from the training programme, would a decision be taken subsequently for regular conducting of such training programmes in future.
- As regards the training for Chairpersons/Members of ERCs, divergent views were expressed and it was felt that this should be designed more carefully. It was desired that the profile of the faculty who would be imparting training/interacting in such training programmes, might first be procured from TERI. Decision in this regard would be taken later.



8. Proposal for preparation of Code of Ethics for Regulators.

- TERI's proposal for preparing Code of Ethics for Regulators was discussed.
- It was generally felt that it would be advisable to evolve such a Code of Ethics for the Regulators but that it should ideally be developed in-house by the Forum of Regulators (FOR).

- It was decided that TERI may be engaged to provide the following inputs to the FOR –
 - A survey of literature on Codes of Ethics adopted by other infrastructure or utility Regulatory Commissions
 - Questionnaire based survey and discussions with a cross section of stakeholders, particularly regulatory commissions dealing with electricity sectors in India.
 - Drafting a Code of Ethics on the basis of above survey and consultations.
- Based on the inputs from TERI, Model Code of Ethics would be finalized by the FOR.
- For collecting the information as above, TERI may be granted a consolidated fee of Rs.1.95 lakh, including travel expenses, and they may be asked to provide the information within two months from the date of assignment.

FIFTH MEETING

1. The **fifth meeting** of the FOR was held on 10th November, 2006 at Kolkata, West Bengal.
2. The following agenda items were taken up for discussion:
 - i) Review of actions arising out of Tariff Policy and National Electricity Policy.
 - ii) Harnessing of surplus captive generation.
 - iii) Issues at stake in operationalization of open access in distribution
 - iv) Reorganisation of SEBs



Review of action arising out of Tariff Policy and National Electricity Policy:

3. Some specific issues on National Electricity Policy and Tariff Policy were, however, discussed in detail.
 - 3.1.1 **The issue of metering including TOD metering** was discussed. It was informed that most of the State Commissions had in their regulations specified time limit for installation of meters for all consumers. It was, however, felt that there were acute shortages of supply of meters which might delay the process of metering of all consumers. In some States, reluctance has also been expressed by the utilities towards installation of meters. Dr. Pramod Deo, Chairperson, MERC felt that for rural areas, metering of individual households might not be feasible. He stated that franchising of metering should be explored as an option for rural areas. Shri P.K. Mehrotra, Chairperson, MPERC referred to the recommendations of the Planning Commission for remote sensing meters and argued that such meters which could be placed at the distribution transformers could go a long way in arresting the commercial losses at distribution level. He also requested Chairperson, CERC/FOR to take up this issue with Central Electricity Authority (CEA) to ensure that suitable provisions in this regard were made in the metering regulations framed by CEA. It was also generally felt that metering regulations issued by CEA should be more comprehensive in terms of specifications. It was observed that leaving the responsibility of specifying details to the SERCs might not be sufficient. It would be advisable that the specifications were detailed in CEA regulations so that manufacturers of meters could see business opportunities in large scale and get encouraged to produce meters with such specifications. This would also help in bringing about harmonization in terms of metering specifications across the country.
 - 3.1.2 **It was decided that Chairperson, CERC/FOR will hold a meeting with Chairperson, CEA shortly where some Chairperson/Members of SERCs would also be invited to discuss these issues.**
 - 3.1.3 **The issue of encouragement of renewables** was also discussed. It was informed by the Members present that most of the SERCs have already specified the minimum percentage of power purchased by the utilities from the renewable sources.
 - 3.1.4 **Status of implementation of intra-State ABT** was reviewed. Shri Divakar Dev, Chairperson, UERC felt that there being only one generating company in the State, he did not see any rationale for implementing ABT in his State. Shri S.K. Misra, Chairperson, Chhattisgarh ERC felt that restructuring of State Electricity Boards was a necessary precedent condition for introduction of ABT in the State. It was generally felt that State Load Despatch Centres have also not been upgraded to the level necessary of introduction of ABT in the State. Some State Commissions, however, have already finalized regulations/orders on introduction of intra-State ABT.

3.1.5 The issue of depreciation rates for distribution rates was discussed. The Tariff Policy provides in para 5.3(c) that *“The Central Commission shall notify the rates of depreciation in respect of generation and transmission assets. The depreciation rates so notified would also be applicable for distribution with appropriate modification as may be evolved by the Forum of Regulators.”* It was felt by some State Commissions that issue as whether the depreciation rates for generation and transmission could be adopted for distribution, should be examined in detail. It was decided that a Group consisting of the following members would go into the issue in detail and make recommendations for rates of depreciation to be adopted for distribution:

- i) Dr. Pramod Dev, Chairperson, MERC
- ii) Shri Vijoy Kumar, Chairperson, UPERC
- iii) Shri S.K.F. Kujur, Chairperson, Jharkhand ERC
- iv) Shri K. Venugopal, Member, DERC
- v) Shri K.P. Gupta, Member, GERC
- vi) Shri S.K. Jena, Member, OERC
- vii) Shri T.R. Dhaka, Member, HERC

Shri S.K. Chatterjee, Assistant Secretary, CERC/FOR would co-ordinate the meetings and discussions in this regard.

Harnessing of surplus captive generation:

4. As stipulated in the National Electricity Policy/Tariff Policy, the FOR has been deliberating on the issues seeking to harness surplus captive generation. A Group was constituted and several meetings were held to discuss the issues in detail and in the meeting held on 18.01.2006 under the Chairmanship of Shri A.K. Basu, Chairperson, CERC/FOR, consensus was evolved, charting out specific action plan/recommendations for harnessing of surplus captive generation into the Grid. Some of the major recommendations were as under:

- i) There should be no penalty for reduction of contracted demand by the consumer having CPP.
- ii) In view of little jurisdiction for levy of Parallel Operation Charges/Grid Support charges, these charges to be kept at the lowest level.
- iii) There should be no minimum guarantee charges.
- iv) Charges for start-up/standby power should be reasonable and should not exceed the charges fixed for temporary connection.
- v) Wheeling charges and other terms and conditions should be determined in advance by the State Commission ensuring that charges are reasonable and fair.

4.1 Shri A.K. Basu requested the Members to intimate the status of implementation of the above recommendations. The State Commissions informed that there was already consensus on the above issue and State Commissions have been implementing these recommendations.

Issues in operationalization of open access in distribution:

5. Several issues in this regard were highlighted in the background note prepared by the FOR Secretariat. Chairperson, Shri A.K. Basu informed that there were as many as 17 cases where approval had been granted by various State Commissions allowing open access to consumers/captive generators. He requested for information as to whether these approvals have been implemented in reality. Shri K.L. Vyas, Member, RERC informed that in his State three out of four cases approved for open access have been implemented. Shri S.K. Mishra, Chairperson, Chhattisgarh ERC also informed that in his State two out of the four cases have already been implemented. In Jharkhand one case has been implemented. **Shri Basu requested all State Commissions to send the updated information in regard to (i) the number of open access cases approved along with details on capacity and consumer status (captive or consumer) and (ii) the number of cases where open access has been implemented in practice.**

5.1. One of the issues in operationalization of open access, as highlighted in the background paper, was conflict between CERC regulations and SERCs regulations on transmission charges, SLDCs charges etc. for open access. This issue was discussed in detail. Shri Basu, Chairperson, CERC/FOR informed that such differences were posing difficulties in deciding the charges by RLDCs especially under open access transactions involving both intra-State and inter-State transmission systems. **After deliberations, it was decided that the charges on following lines would be implemented:**

- i) A composite operating charge @ Rs. 1,000/- per day for each transaction in respect of SLDCs involved irrespective of MW quantum applied.
 - ii) Based on the Transmission Service Charges (TSC) determined by SERC, STU may calculate Short Term Rate (ST_RATE) as per methodology of CERC regulations and intimate the same to RLDCs and post on their websites.
 - iii) The following methodology may be adopted for Transmission Charges for Short Term Open Access:
 - a. Short Term Rate may be calculated in Rs./MW/Day.
 - b. Short Term Rate may be charged @ 1/4th of the Long Term Rate.
 - c. E-Bidding for short term access in the event of congestion, with a price cap of 125% of the Long Term Rate.
 - iv) Part Day Charges may be adopted for short-term consumers in the following manner:

The ¼ of ST_RATE for Short Term Open Access Transactions upto 6 hours duration and ½ of ST-RATE for transaction between 6 hours and 12 hours duration may be charged for State Transmission network.
 - v) No Handling and Service charges may be levied.
- 5.2.** The issue as to whether license is required by a captive generator to supply power to a consumer, was discussed in the context of the Bombay High Court Judgment in this regard which had also been upheld by the Supreme Court. The context of the judgment was discussed. It was generally felt that the judgment did not lead

to an interpretation that the captive generator would need a licence to supply electricity to a consumer who has been granted open access under section 42 of the Act. It was also informed that Ministry of Power had filed a SLP clarifying the judgment on these lines before the Supreme Court. SERCs requested that a copy of the SLP filed by the Ministry of Power on the judgment might be formally circulated to all State Commissions for information.



Reorganization of SEBs

6. Shri Sunil Mitra, Principal Secretary (Energy), Government of West Bengal made a presentation highlighting the progress of restructuring of West Bengal State Electricity Board. He informed that the State of West Bengal had the advantage of learning from the experience of other States who had already unbundled in the past. Apart from that the distinguishing feature about West Bengal is that the utility in the State had turned around even before the restructuring. This, together with the fact that various interest groups (including the trade unions) having been taken into confidence, success of unbundling of SEBs in the State stood a fair chance.

Other Agenda Items –

Recommendation on Distribution Margin

7. The FOR Group constituted for recommending measures to implement the Tariff Policy provisions regarding distribution margin approach for efficiency improvement was discussed. It was generally felt that preparedness on the part of the distribution company was a pre-condition to success of the distribution margin approach recommended by the Group. Shri Divakar Dev, Chairperson, UERC stated that it might not be possible to implement the recommendations in his State in near future because it called for

preparation of a detailed business plan by the utility which was not fully prepared to undertake the exercise at this moment. Some State Commissions felt that the MYT approach as recommended by the Group – excluding the recommendation on DM – could be implemented to start with. Shri P.K. Mehrotra, however, stated that he agreed with the recommendations and was confident of implementing them in his State from the next financial year.

11.1 After discussion it was decided that the recommendations of the FOR Group which were conveyed to all State Commissions by FOR vide letter dated 26.09.2006 would be implemented by the State Commissions w.e.f. 01.04.2007. The State Commissions, who found it difficult to implement from 01.04.2007, might implement it from 01.04.2008.

Discussion on important orders of various authorities

12. Important orders of various authorities were discussed. It was decided that the orders of general importance having wide regulatory implication could be summarized and sent to FOR Secretariat for suitable action by the Chairperson of FOR.

SIXTH MEETING

1. The **sixth meeting** of the FOR was held during 28th February, 2007 – 02nd March, 2007 at Raipur, Chhattisgarh.



Thursday, 01st March, 2007 -

2. The following agenda items were taken up for discussion:

(I) Members present discussed the Action Taken Report and also on the decisions of the last FOR Meeting held on 10th November, 2006 at Kolkata.

(a) On the issue of metering including TOD metering, Chairperson, CERC/FOR requested that comments of all SERCs be sent to FOR Secretariat within a week's time for compilation so that a meeting with Chairperson, CEA could be organized. A Group consisting of the following Chairpersons/Members was also constituted for identifying the specific issues in CEA Regulations on Metering which would be taken up with CEA :-

- (i) Shri Vijoy Kumar, Chairperson, UPERC;
- (ii) Shri Jai Singh Gill, Chairperson, PSERC;
- (iii) Shri Bhaskar Chatterjee, Chairperson, HERC;
- (iv) Shri B.K. Das, Chairperson, OERC;
- (v) Dr. J.L. Bose, Chairperson, MPERC; and
- (vi) Shri K. Venugopal, Member, DERC.

(b) On the issue of Depreciation Rates for Distribution Rates, Shri S.K. Chatterjee, Assistant Secretary, CERC apprised the Members about the recommendations of the Group. The recommendations were discussed and adopted. It was also decided that as recommended by the Group, CEA should be requested to carry out a study on the life of assets for various items for distribution and for this a consultancy fee be given to CEA as may be mutually agreed with the FOR and CEA.

(c) With regard to issues in operationalization of open access in distribution, Chairperson, CERC/FOR requested that each SERC could update the status and forward it to FOR Secretariat for compilation and analysis.

The Minutes of the 5th FOR Meeting were confirmed.

(II) Issue raised by CSERC on the need for greater informal interaction among the State Commission on a regular basis was discussed and it was decided that each SERC would circulate orders/regulations of general importance and having wide regulatory implications to all other SERCs for reference and guidance.

(III) Discussion on Draft Report of TERI on "Code of Ethics". A presentation on the subject was made by Dr. S.K. Sarkar, Director, TERI. Chairperson, CERC/FOR requested that the SERCs could send the duly filled-in questionnaire survey, to TERI by 15th March, 2007 to enable TERI to submit their report to FOR Secretariat by 31st March, 2007. The next FOR meeting will take a final decision on "Code of Ethics".

- (IV) Proposal of Consumer Unity & Trust Society (CUTS), Jaipur to carry out study on “Appraisal of the State Electricity Regulatory Commissions (SERCs) in India” was discussed at length and it was felt that ideally this kind of study should be done in-house by FOR. RIMS being developed could also go a long way in this direction. If CUTS so felt, they would be free to conduct a survey on Electricity Regulation in India in general.
- (V) Review and adoption of “Development of RIMS Report”. A presentation was made by Shri Santosh Kamath of M/s. KPMG. It was generally agreed that a two phase approach should be adopted. In the first phase only macro level KPIs be adopted. After successful demonstration of the first phase, the second phase of micro level KPIs be adopted. KPMG was asked to revise the report accordingly.



(VI) **Other Agenda Items –**

The proposal of World Bank on “Regulatory study to encourage energy efficiency through investment in rehabilitation of coal fired generation plant in India” was discussed. It was decided that a Group consisting of the following members would go into the issue in detail and make recommendations on the proposal :

- (i) Shri S.N. Ghosh, Chairperson, WBERC
- (ii) Shri S.K.F. Kujur, Chairperson, Jharkhand ERC
- (iii) Shri G. Subba Rao, Chairperson, GERC
- (iv) Shri Vijoy Kumar, Chairperson, UPERC
- (v) Dr. Pramod Dev, Chairperson, MERC
- (vi) Shri S.K. Misra, Chairperson, CSERC
- (vii) Shri K.P. Pandey, Chairperson, KERC
- (viii) Dr. J.L. Bose, Chairperson, MPERC
- (ix) Shri K. Venugopal, Member, DERC

Shri S.K. Chatterjee, Assistant Secretary, CERC/FOR would co-ordinate the meeting.

5. Major achievements of SERCs-2006-07

(1) ANDHRA PRADESH

Achievements during 2006-07

I. Issue of Regulations

The Commission issued the following two Regulations during the year, under the Central Act, namely,

- i) The APERC Regulation (Levy of Fees and charges by SLDC) No.1 of 2006 under sub-section (2) of section 31, section 32(3) read with Section 181 (2) (g). Notified in the AP Extraordinary Gazette dt. 27-07-2006.
- ii) The APERC Regulation (Interim Balancing and Settlement Code for open access transactions), No.2 of 2006 under sections 42 (2), 66, 94 (2) and read with Section 181 (1). Notified in the AP Extraordinary Gazette dt. 11-08-2006.

Following Amendment Regulation was also issued by the Commission during the year:

1. APERC (Method of Recruitment and Conditions of Service of officers and staff-First Amendment) (First Amendment to the Regulation No. 3 of 1999) under section 181. Notified in the AP Extraordinary Gazette dt. 25-04-2006.

II. Regulation of power purchases of Licensees

(a) Power Purchase Agreements:

1. The Commission has given consent to the amendments (broadly relating to deletion of alternate fuel clause from the PPA and the consequent changes) proposed for the PPA dated 18.06.2003 with M/s.Vemagiri Power Generation Ltd., on 31.12.2006.
2. The Commission has given consent under section 21(4) (b) of the Reform Act for the following PPAs of APDISCOMS for purchase of power from NCE (non-conventional energy) projects:

Sl. No	Name of the Project	Capacity	Type of Project	Date of consent
1.	GSR Sugars(P) Ltd	<i>16.5 MW</i>	Bagasse	04/05/06
2.	Hyderabad Chemicals Ltd	<i>3.75 MW</i>	Wind	24/06/06

3.	Hyderabad Chemical Products Ltd	0.75 MW	Wind	24/06/06
4.	<u>M/s. Velagapudi Power Project</u>	4.0 MW	<u>Biomass</u>	07/11/06
	<u>M/s.SLT Power & Infrastructure</u>	3.5 MW	<u>Industrial Waste (poultry litter based)</u>	19/1/2007
	<u>Vijayawada Municipal Corporation</u>	0.143 MW	Municipal Waste	19/06/2006

Short Term Power Purchase:

The following Short Term purchases are approved by the Commission.

Sl. No.	Source of purchase	Name of the Trader	Quantun of purchase	Period of purchase	Rate per Unit/Rs	Reasons for purchase	Date of approval by the Commission
1.	TNEB	PTC	300 MW	March '06	4.141	Ensuring stability of the Grid	15-04-06
2.	WBSEB	PTC	100 MW	April '06 (off -peak hrs)	3.89	Ensuring security of the Grid	01-06-06
3.	GRIDCO	PTC	100 MW	20-03-06 to 31-03-06(off -peak hours)	3.58	Increase demand and security of the Grid	01-05-06
4.	KSEB	NVNL	200 MW	16-03-06 to 31-03-06 (off-peak periods)	3.24	To meet the increased demand and security of the Grid.	01-06-06
5.	HWP /MNG	Not applicable	8-12 MW	1-09-06 to 28-02-07	2.15	To meet growing demand and to ensure stability of the power system	25-09-06

6.	VSP	Not applicable	30-40 MW	06-03-06 to 31-05-06	1.76	To ensure stability of the Grid.	09-03-06
7.	VSP	Not applicable	30-40 MW	31-05-06 to 31-07-06	1.76	To meet the additional power requirement and to ensure stability of the Grid.	16-06-06
8.	VSP	Not applicable	30-40 MW	31-07-06 to 28-02-07	1.76	Growing demand and to ensure stability of Grid.	26-09-06
9.	Kerala/ Orissa (Gridco)/ West Bengal	PTC	60/218/73 MW	10-09-06	4.39/4.6 5/5.05	Emergency purchase due to loss of generation	07-03-07
10.	Orissa (Gridco)	PTC	150 MW	11-09-06	4.65	-do-	07-03-07
11.	Karnataka/Orissa (Gridco)/ Kerala	NVV NL	200/100/100 MW	11-09-06	3.44/4.6 5/4.39	-do-	07-03-07

Exemption / License:

The License fee from all 4 discoms and 4 Nos Rescos viz Anakapally Resco, Chipurupally Resco, Kuppam Resco, and Sircilla was collected.

- 2) **Investment schemes approved:** The Commission approved the following investment schemes of worth Rs. 5 crs and above during 2006-07. The investment approved is the total project cost to be invested over 2 to 4 years and not the amount to invest during 2006-07.

S.No	Scheme Name	Rs. Crs.
	CPDCL	
1	RGGVY scheme	148.749
2	SI Meter Scheme	86.852
3	SI – Anantapur	9.5823
4	SI – Kurnool	12.2800
5	SI – Nalgonda	7.8171
6	SI – Medak	8.4227
7	HVDS - ATP, NLG and MBNR	458.7700

8	P:SI Mahabubnagar	13.1600
	EPDCL	
9	RGGVY	196.45
10	HVDS Phase-3	50.23
	NPDCL	
11	P:SI Kamareddy	8.98
12	P:SI Peddapally	6.506
13	P:SI Jagityal Division - 2	5.055
14	RGGVY - REC scheme	151.300
15	HVDS Phase-3	34.550
16	P:SI (JBIC)	99.620
17	P:SI HVDS	125.190
	SPDCL	
18	SI Power Transformer	6.85
19	SI Scheme – Guntur	6.12
20	HVDS Chittoor & Kadapa circles	334.40
21	RGGVY Krishna& Guntur	195.62
22	P: SI Guntur District	7.43
23	SI Power Transformer (2007-08)	7.50
24	P:SI Kadapa	6.89
25	P:SI Krishna	5.72
	Total	1994.04

III. Tariff

Fy 2006-07: The Commission issued separate Tariff Orders for Transmission & Distribution for FY 2006-07 on 22-03-2006 as follows:

- (a) Order on Distribution Tariffs for 2006-07 to 2008-09 and Retail Supply Tariffs for 2006-07.
- (b) Order on Transmission Tariffs for 2006-07 to 2008-09 and SLDC charges for 2006-07.

IV. Monitoring the Licensees' performance

The Commission conducted review meetings with the CMDs and other officers of the Distribution Licensees (DISCOMs), to monitor the compliance of the Directives issued in successive Tariff Orders and also the efficiency improvement measures undertaken by the Licensees, compliance with Standards of performance, and Implementation of RIMS etc.

V. Legal Matters

During the year a total number of 17 Original Petitions, 8 Interlocutory Applications were disposed by the Commission. Similarly, three (3) Writ Appeals were disposed by the Hon'ble High Court of AP; one (1) first appeal in State Consumer Disputes Redressal Commission and one (1) matter in Labour Court were also disposed. During the said year , 57 Appeals were also disposed by the Appellate Tribunal for Electricity, New Delhi.

(2) ASSAM

- ❖ The Assam Electricity Regulatory Commission (hereinafter referred to as the AERC or the Commission) was established under the Electricity Regulatory Commissions Act (hereinafter referred to as the ERC Act), 1998 on February 28, 2001. The AERC came into existence in August 2001 as a one-man Commission. Considering the multidisciplinary requirements of the Commission, it was made a multimember one constituting three Members (including Chairperson) from 27th January, 2006. The Commission has started functioning as Multimember Commission on joining of two members from 1st February, 2006. The Commission is mandated to exercise the powers and functions conferred under Section 181 of the Electricity Act 2003 (36 of 2003) (hereinafter referred to as the Act) and to exercise the functions conferred to it under Section 86 of the Act. The Act was applicable from 10th June 2003
- ❖ The Commission is vested with the responsibility of discharging the following functions:
 - determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State;
 - regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;
 - facilitate intra-State transmission and wheeling of electricity;
 - issue licences to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
 - promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
 - adjudicate upon the disputes between the licensees and generating

- companies and to refer any dispute for arbitration;
 - levy fee for the purposes of the Electricity Act, 2003;
 - specify State Grid Code;
 - specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
 - fix the trading margin in the intra-State trading of electricity, if considered, necessary;
 - discharge such other functions as may be assigned to it under the Electricity Act, 2003;
 - advise the State Government on all or any of the following matters, namely:-
 - promotion of competition, efficiency and economy in activities of the electricity industry;
 - promotion of investment in electricity industry;
 - reorganization and restructuring of electricity industry in the State; matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by the State Government.
- ❖ to promote competition, efficiency and economy in the activities of the Electricity Industry within the State of Assam.
- ❖ to regulate the power purchase and procurement process of the distribution utilities for sale, distribution and supply of electricity within the State of Assam.
- ❖ to determine the tariff for electricity, wholesale, bulk, grid or retail, as the case may be, and the tariff payable for use of transmission facilities, within the State of Assam.
- ❖ The Vision of the Commission is :

An Assam where the electricity supply system supplies uninterrupted power at required voltages where all consumers can meet their requirements of power at an affordable cost anytime, so that the state can develop on the basis of such power supply.
- ❖ During the reporting period the Commission was headed by Shri Jadab Prasad Saikia, as Officiating Chairperson after the superannuation of Shri Bhaskar Barua as Chairperson of the Commission on February 27, 2006. Later, Shri P. K. Bora, IAS (Retd.) joined as Chairperson of the Commission on 2nd June, 2006 . Shri Jadab Prasad Saikia and Shri Himadri Dutta, both have joined the Commission as Member on 1st February, 2006, making the One Man Commission a Multimember Commission.

ACTIVITIES OF THE COMMISSION :

- ❖ During 2006-07, two meetings of the State Advisory Committee of the Assam Electricity Regulatory Commission were held.
- ❖ During 2006-07, one meeting of the Coordination Forum of the Assam Electricity Regulatory Commission was held on 21.09.2006.
- ❖ The Consumer Advocacy Cell of Assam Electricity Regulatory Commission is now two years old. Formed on 4th February, 2005, the Cell has embarked upon the following functions during this period of time for promoting awareness among consumers on power related matters which are indicated below:
 - The Cell empanelled 12 consumer groups from all over the state.
 - A CD was prepared containing the Mission & Objectives of the Cell, the Electricity Act, 2003, National Electricity Policy, the consumer related regulations of AERC etc. for information of consumers and the empanelled consumer groups.
 - A quarterly power information bulletin titled “The Electricity Consumer Grid” is being published consisting of useful information to consumers like – Mechanism for complaint redressal, important tips to electricity users and other power related information. Six editions of this bulletin have been published so far. These are available at the official website of the Commission: www.aerc.nic.in
 - One of the objectives of the Cell is to conduct surveys to gauge the performance of the Licensees vis-à-vis consumer satisfaction. The process was initiated in this regard and a questionnaire was designed for conducting the survey. Copies of this questionnaire were sent to the empanelled consumer groups for feedback. The survey was also conducted directly at various sub-divisional offices by a consultant of AERC. All the 247 responses received were analysed. The result of the survey was published in the second edition of “The Electricity Consumer Grid”. The report provides useful insights to the service provider for improving service quality and enhancing consumer satisfaction. It also brings to the forefront the importance of the press, electronic media and consumer advocacy groups in creating awareness among the consumers on power related issues.
- ❖ Till FY 2006-07, the Commission has issued 16 regulations.
- ❖ During FY 2006-07, Tariff Order for FY 2006-07 was issued on July 28, 2006 against Annual Revenue Requirement (ARR) and Tariff Petitions of Assam State Electricity Board and its successor entities.

(3) CHHATTISGARH -

The, important achievements of CSERC during April 2006- March 2007 are given below:-

1. The second Tariff order was issued by the Commission on 13th Sept 2006, within nearly two years of its creation. Retail tariffs were further rationalised in this order and the tariff categories were reduced. The cost of supply was reduced from Rs. 3.45 per unit (2005-06) to Rs. 3.20 per unit.
2. Four Regulations, including two important ones, i.e. **Standard of Performance in Distribution of Electricity** and **Chhattisgarh State Electricity Grid Code** were prepared and notified.
3. During this period a total 36 petitions were registered, whereas 11 petitions were pending for disposal on 1st April 2006. Out of these 47 petitions 38 have been disposed of during the period.
4. The Commission hosted the first time the meeting of **Forum of Regulators** on 28th Feb and 1st March 2007, successfully.

(4) GUJARAT -

IMPORTANT ACHIEVEMENTS OF THE COMMISSION IN FY 2006-07

1. The Commission has received the petitions for ARR and Determination of Tariff from unbundled entities for erstwhile GEB for 2007-08. ASCI, Hyderabad were consultant for this work and Tariff Orders were issued on 31st March 2007 i. e. within time limit. Brief Details are as follows:
 - ◆ No change in Consumer tariff
 - ◆ Overall Distribution Losses in system have been limited to 21.5% in FY 2007-08 as against 27.8% in FY 2005-06.
 - ◆ Return on Equity allowed @ 7%.
 - ◆ Transmission charges for 'Open Access' consumers reduced from existing level of Rs. 2832 per MW per Day to Rs. 2510 per MW per Day.
 - ◆ The Distribution wheeling charges reduced from Rs. 2459 per MW per Day to Rs.2205 per MW per Day for the FY 2007-08.
 - ◆ Cross-Subsidy Surcharge for 'Open Access' consumers reduced from Rs. 1.35 per Unit to Rs. 1.00 per Unit.
 - ◆ Rebate for power factor improvement in the category of HT consumers is also reintroduced. Now, for each 1% improvement over 95% power factor, the HT consumers will get 0.5% rebate on their fixed and energy charges.
2. Following is the list of tariff orders, regulations and other important orders notified in the year 2006-07.

A. Tariff/ ARR orders for 2006-07 (on 06-05-06)

- i) Tariff Order of Gujarat State Electricity Corporation Ltd for FY 2005-06 and FY 2006-07- **6th May 2006.**
 - ii) Tariff Order of Gujarat State Energy Transmission Corporation Ltd for FY 2006-07- **6th May 2006.**
 - iii) Tariff Order of Paschim Gujarat Vij Company Ltd for FY 2006-07- **6th May 2006.**
 - iv) Tariff Order of Madhya Gujarat Vij Company Ltd for FY 2006-07- **6th May 2006.**
 - v) Tariff Order of Dakshin Gujarat Vij Company Ltd for FY 2006-07- **6th May 2006.**
 - vi) Tariff Order of Uttar Gujarat Vij Company Ltd for FY 2006-07- **6th May 2006.**
-

B. Tariff/ARR orders for 2007-08 (on 21-03-07)

- i) Tariff Order of Gujarat State Electricity Corporation Ltd for FY 2007-08 – **31st March 2007.**
- ii) Tariff Order of Gujarat State Energy Transmission Corporation Ltd for FY 2007-08- **31st March 2007.**
- iii) Tariff Order of Paschim Gujarat Vij Company Ltd for FY 2007-08 - **31st March 2007.**
- iv) Tariff Order of Madhya Gujarat Vij Company Ltd for FY 2007-08 - **31st March 2007.**
- v) Tariff Order of Dakshin Gujarat Vij Company Ltd for FY 2007-08-**31st March 2007.**
- vi) Tariff Order of Uttar Gujarat Vij Company Ltd for FY 2007-08 - **31st March 2007.**

C. Other Important Orders

- i) Determination of price for procurement of power by the Distribution Licensees in Gujarat from Bagasse based Cogeneration Projects
January 3, 2007
- ii) Determination of price for procurement of power by the Distribution Licensees in Gujarat from Wind Energy Projects
11th August, 2006
- iii) Bringing Generating Stations of Gujarat State, Distribution Licensees and other persons under the purview of Intra-State Availability Based Tariff (Intra-State ABT)” 11th August, 2006

D. Regulations Notified in 2006-07

- i) First Amendment to the Distribution Code-26th October, 2006.
- ii) Second Amendment to Supply Code – 25th September, 2006

3. The Commission has requested the Government of Gujarat to review the question of PPA allocation to Distribution Licensees
4. One meeting arranged with the Forum members, Ombudsman and Commission to discuss various issues related to consumer complaint handling procedures.
5. **Commission has issued Order (Order 3 of 2006) for 'Bringing Generating Stations of Gujarat State, Distribution Licensees and other persons under the purview of Intra-State ABT' on date 11/08/2006.**
6. **The Commission issued order in the matter of Determination of price for procurement of power by the Distribution Licensees in Gujarat from Wind Energy Projects. The Commission has determined the tariff for generation from new wind energy project at Rs.3.37 (constant) for its entire project life of 20 years i.e. from the first year to the twentieth year.**
7. Orders and awards declared against petitions/appeals filed. During the year 2006-07, Commission has issued orders for 58 petitions filed and 32 appeals.

STATUS OF PETITIONS/APPEALS RECEIVED, DISPOSED AND PENDING

PETITIONS

<u>Petitions carried forward from last year (FY 2005-06)</u>	<u>No. of Petitions received (1st April 2006 to 31st March 2007)</u>	<u>Total</u>	<u>Disposed off (1st April 2006 to 31st March 2007)</u>	<u>Pending as on 31st March 2007</u>
63	30	93	62	31

APPEALS

<u>Appeals carried forward from last year (FY 2005-06)</u>	<u>No. of Appeals received (1st April 2006 to 31st March 2007)</u>	<u>Total</u>	<u>Disposed off (1st April 2006 to 31st March 2007)</u>	<u>Pending as on 31st March 2007</u>
28	6	34	32	2

8. GUVNL had proposed to procure 6000 MW through competitive bidding process, under case I with some deviation in documents and model PPA. The Commission approved the deviation and final resultant effect is that GUVNL could issue LOI for 3200 MW of which details are as under.

Sr. No	Bidder	Fuel	MW	Rs./kwh	Remarks
1	M/s Aryan Coal Benefications Pvt.Ltd	Coal	200	2.2498	Expected to supply power 100 MW in FY 2009-10 and remaining 100 MW in 2010-11

2	M/s Adani Power Pvt Ltd.	Imported coal	1000	2.3495	Expected to supply power in FY 2011-12
3	Essar Power Ltd	Imported coal	1000	2.4006	Expected to supply power 500 MW in FY 2010-11 and other 500 MW in 20011-12.
4	M/s Adani Power Pvt Ltd.	Imported coal	1000	2.8900	No escalation and supply of power in 2009-10

(5) HARYANA -

Haryana Electricity Regulatory Commission has issued the following orders during April 2006 to March 2007.

1. Determination of Generation Tariff for Haryana Power generation Corporation (HPGCL for FY 2007.
2. Determination of Transmission Tariff & SLDC charges for Haryana Vidyut Prasaran Nigam Ltd. (HVPNL) for FY 2007.
3. Determination of Bulk Supply Tariff & Determination of Trading Margin for Haryana Power Generation Corporation Ltd. (HPGCL) for FY 2007.
4. Determination of retail supply tariff for Uttar Haryana Bijli Vitran Nigam Ltd. (UHBVNL) for FY 2007.
5. Determination of retail supply tariff for Dakshin Haryana Bijli Vitran Nigam Ltd. (UHBVNL) for FY 2007.
6. Recovery of Fuel Surcharge Adjustment and other charges for the period April 2003 to September 2006.
7. Determination of tariff for Renewable Energy for FY 2007-08 to FY 2012-13.
8. Review petitions filed by HPGCL, HVPNL, UHBVNL and DHBVNL against the Commission's order for their ARR for FY 2006-07.
9. Grant of license for distribution of electrify in the state of Haryana by M/s DLF Estate Developers Ltd.
10. Regulation No. HERC/02/2004 – Ist amendment 2006 in respect of HERC (Guidelines for establishment of Forum for Redressal of Grievances of the Consumers and Electricity Ombudsman).
11. Introduction of separate schedule of tariff for bulk domestic supply consumers in Haryana.
12. Power Purchase Agreement & Tariff Determination
 - Dadupur Small Hydel Project (Near Jagadhari, Haryana).
 - Kishanganga HEP
 - Barh StPS
 - North karanpura STPS
 - Kahalgaon STPS
 - Unchahar Stage III TPS
 - Dulhasti HEP

(6) KARNATAKA -

1. Promotion of WTE projects:

The Commission has issued order on 21.7.2006 for promoting WTE projects. Free wheeling and banking allowed and cross subsidy surcharge exempted for WTE projects.

2. MYT Order of KPTCL:

First MYT order issued on 6.7. 2007 on the ERC & Tariff application of Transmission Licensee for the period FY-8 to FY10.

(7) KERALA -

Activities of Kerala State Electricity Regulatory Commission for 2006-07

The Kerala State Electricity Regulatory Commission, established in November, 2002 has entered its 5th year of service. Since its inception, the Commission has taken all efforts to set up a fair, transparent and objective electricity regulatory process in the State of Kerala. The Commission consists of a chairman and two members. Presently, Shri C.Balakrishnan holds the position of Chairman and Shri C.Abdulla and Shri M.P.Aiyappan as Members. The new office building of the Commission at KPFC Bhavanam, C.V. Raman Pillai Road, Vellayambalam, Sathamangalam P.O., Thiruvananthapuram – 695010 was inaugurated and the Commission has shifted to its new office on 18th September, 2006.

Licensees:

The Commission regulates 8 distribution licensees in the State including Kerala State Electricity Board. All licensees of the Commission are deemed licensees. Since time limit for re-organisation of the Kerala State Electricity Board under section 131 of the Act was extended till December 2007, the Board continued function as STU and distribution licensee. The list of the licensees as follows:

1. Kerala State Electricity Board
2. Corporation of Thrissur
3. Cochin Port Trust Limited
4. Technopark, Thiruvananthapuram
5. Kinfra Export Promotion Industrial Parks Limited
6. Rubber Park (India) Limited
- 7 M/s Kannan Devan Hill Plantation Company Limited
8. Cochin Special Economic Zone

Proceedings before the Commission

During 2006-07, the Commission has received 25 petitions, out of which 14 petitions were disposed of. In order to dispose of the petitions the Commission has conducted 39 public hearings and about 121 internal proceedings during the year.

Transfer of distribution license to M/s KDHPC Limited :

The license for distribution of electricity in Munnar was vested with M/s Tata Tea limited, Munnar. The company had filed an application for transfer of distribution licence as they were re-organised and M/s Kannan Deven Hill Plantation Company was entrusted with distribution of electricity. After following the necessary formalities as envisaged in the Act, the Commission has ordered to transfer license to M/s KDHPC from M/s Tata tea.

Petitions on Annual Revenue Requirements:

The Commission has issued ARR & ERC orders for all the Licensees including Kerala State Electricity Board during the financial year.

Terms and Conditions of supply:

The Commission has approved the terms and condition of supply of the distribution licensees viz KSEB, Cochin Special Economic Zone and Technopark during the year.

Regulations issued by the Commission:

The Commission has issued following regulations during the year :-

1. Distribution licensees' Standards of Performance Regulations, 2006
The licensees except, KSEB has implemented the regulation. KSEB has sought extension of time for implementation. The Commission has directed all licensees to suggest improvements in the standards fixed in the Regulations.
2. Power procurement from renewable sources by Distribution licensee Regulations, 2006
The Commission has fixed a quantum of 5% from renewable sources expressed as a percentage of distribution licensee's total consumption during a year. The breakup of 5% would be 2% from small hydel projects, 2% from wind and 1% from all other sources. The Commission has also determined tariff for the purchase of electricity by distribution licensees from SHP and Wind projects in the same regulations. Accordingly, the Commission has approved 2 PPAs on SHP viz., Meenvallom (3MW) and Iruttukanam (3MW) of KSEB.
3. Terms and conditions for determination of tariff for distribution and retail sale of electricity MYT framework regulations, 2006

Performance of Licensees:

The Commission has been primarily emphasizing performance improvements in following areas of the Licensees

1. AT & C loss reduction : In the previous three ARR orders, the Commission has directed the Board to reduce T&D loss of about 8.72% and the Board has achieved T&D loss reduction of 6.12%. The T&D loss of KSEB, the main licensee in the State has been brought down from 27.43% in 2003-04 to 22.96% in 2005-06.
2. Optimum scheduling of internal generation and power purchase and efficient UI transaction : Since its inception, the Commission has been paying specific attention especially in the area of internal generation and power purchase. The Commission has issued several directions to KSEB for following optimum scheduling under merit order for economic utilization of hydrostorage and thermal power. The Board has taken steps in line with the directions of the Commission. In line with the policy and considering the load shape of the Kerala System, the Commission has issued orders for sale of surplus power during the off peak hours. It is estimated that about Rs.303.83 Crore would be realized by the Board during 2006-07 by selling surplus power.
3. Receivable management: The Commission has directed the Board to constitute a taskforce to study the recovery of receivables. The substantial portions of the receivables are from Public water works and HT industrial consumers.
4. Debt servicing: The Commission has directed the board to reschedule and swap the loans and bonds issued to take advantage of the falling interest rates in the financial market. The Board has thus swapped Rs.1733 crore of loans thereby saving interest liability to the tune of Rs. 241 Crore payable during the rest of the repayment period and about Rs.39.5 Crore of annually.

Consumer protection

As per the provisions of the Act, the Commission has notified the CGRF and Electricity Ombudsman Regulations. All the licensees have constituted CGRF in their respective area of supply. The major licensee KSEB has constituted 3 CGRF to represent southern, central and northern distribution areas in the State. One CGRF each by other licensees has been constituted as the area of supply are limited. In all 391 petitions were received by the CGRF and 336 petitions were disposed of during 2006-07.

The Commission has also designated the Ombudsman for hearing the appeals from the orders of CGRF. Ombudsman has received 15 petitions and 11 petitions were disposed off during the year.

Implementation of Public Information Act:

The Commission has designated Public information Officer and Appellate Officer under the Public Information Act, 2005.

State Advisory Committee

In order to advise the Commission on various matters, the Commission had constituted the State Advisory Committee as per section 88 of the Act in the year 2003. The term of the members is for 3 years and 1/3rd of the Committee members shall be replaced by new members annually. Hence after three years, the Commission has re-constituted Advisory Committee on 31-10-2006. Three meetings viz., 11th 12th and 13th meeting of the Committee were held during the year.

Co-Ordination forum

Government of Kerala has constituted co-ordination forum under sub section (4) of Section 166 of the Act vide notification dated 30-10-2006, with Shri. C.Balakrishnan, Chairman, KSERC as the Chairman. A meeting of the Forum was held on 21-02-2007 and important issues on the development of power sector in the State were discussed in the meeting.

Directions issued by the Government of Kerala under Section 108

Following are the English translation of the directions issued by the Government of Kerala under Section 108 of the Act to the Commission.

- (I) The policy of Government is to fully utilize all the water resources of the State so as to increase the Power generation. It is also aimed at encouraging local Self government to take up small hydro projects.

As the local self Governments are not having adequate experience in the field of power generation and as the plant load factor of SHPs are low due to vagaries of nature, the SHPs run by local self Governments, will have to be allowed an incentive based tariff whenever distribution licensees buy power from them. Also the total power purchased from such SHP projects shall be capped at less than 5% to total power sales of the Kerala State Electricity Board.

- (II) No Private Agencies may be issued licenses for distribution and transmission inside the State of Kerala.
- (III) Permitting Open Access in transmission & distribution lines of public sector utility may adversely effect the development of the public sector license or give rise to financial crisis due to loosing of high revenue earning consumers jeopardizing public interest. Hence whenever open access is permitted all the

aspects have to be considered and the public sector licensee shall be fully compensated through adequate surcharge and additional surcharge.

- (IV) The section related to avoidance of cross subsidies is being reviewed by the Union Govt. and amendments to Electricity Act 2003 are now under consideration of the Parliamentary Subject Committee. For advisory Social justice without burden on the Govt. Cross subsidies will have to be continued. The inability of the lower class consumers to meet higher tariff and social requirements of encouraging production entities, any charge in cross subsidies may attract very serious setbacks. Considering the public interest the present proportion of Cross subsidies may be kept without any charge.
- (V) The Kerala State Electricity Board is now working as a transmission utility and a distribution licensee as a natural continuation of Kerala State Electricity Board formulated by Electricity Supply Act 1948. If license fee is realized from KSEB, Revenue Expenditure may increase, consequently giving rise to Tariff increase. Hence no licensee fee shall be realised from Kerala State Electricity Board.
- (VI) Electricity is a social necessity. It is the urgent obligation of Kerala Government to extend power to all. Also adding new consumers is essential for commercial viability of Kerala State Electricity Board. Hence of achieving these ends new lines will have to be constructed and connection given. This will have to be taken up under normal development programs of Kerala State Electricity Board. Considering the public interest also the work targeted by Govt. under this head may be added to the capital expenditure of the licensee considering the social commitment of the under privileged and deserving class of consumers may be permitted to the given separate priority in giving service connections. Kerala State Electricity Board is duty bound to release such service connections on Govt. decisions.
- (VII) The overall development of production sector in the Agricultural and Industrial sectors is to be ensured by making available the power required. Collecting the cost of giving power in advance from those sectors may adversely effect the developments in those sectors. Hence the present minimum guarantee scheme will have to be continued.
- (VIII) The drinking water schemes sponsored by local bodies and consumer groups are utilizing water for domestic purpose only. Such schemes will have to be included in the domestic Tariff. This will be of great help of the rural public.
- (IX) The ARR of Kerala State Electricity Board will have to be fixed based on practical facts. Works of permanent nature may not be out sourced; the charges in DA of employees, wage revision should be taken into consideration while arriving at ARR. The fore cast of revenue expenditure is the beginning of financial year if not made realistic may give visit to high revenue gaps

consequently it may result in Tariff shock and social set backs. Now the accounts of Kerala State Electricity Board are maintained as per the existing accounting rules by Union Government. The CAG is also auditing based on that accounting system. The depreciation rates are now fixed as per the accounting rules previously. Hence while finalizing ARR, all these aspects will have to be considered.

- (X) The Govt. has noticed the regulations and standards of performance issued by the Regulatory Commission. It is imperative that the distribution sector will have to achieve these standards. But without considering the present level of performance, the new standards cannot be introduced at a simple stretch. If introduced, it is likely to give rise to legal battles between consumers and the licensee. Hence after considering present level of performance annual targets will have to be fixed for which directions from Government may be sought.

(8) TAMIL NADU

I. Major Orders issued during 2006-2007:

- (a) Order No. **2 dated 15.05.2006** on Determination of Transmission Charges, Wheeling Charges, Cross Subsidy surcharge and Additional Surcharge.
- (b) Order No **3 dated 15-5-2006** on Power purchase and allied issues in respect of Non-Conventional Energy Sources based Generating Plants and Non-Conventional Energy Sources based Co-Generation Plants
- (c) Order No **4 dated 15-5-2006** on Power purchase and allied issues in respect of fossil fuel based Group Captive Generating Plants and fossil fuel based Cogeneration plants
- (d) The Commission has also developed a **Regulatory Information Management System Software Package (RIMS)** and hosted it on its website.

II. Other Orders Issued by the Commission

The Commission has issued the following orders on change of tariff category, manner of payment of subsidy under section 65 of the Electricity Act 2003 and amendment to tariff schedule. Totally 19 orders (T.O. 1-79 to T.O. 1-98) were issued as detailed below:

S. No.	Order No and Date	Details of Order
1	T.O. 1-79 / 9.4.06	Tariff to Sri Panduranga Bhajanashramam Changed from LT Tariff V to LT Tariff II C
2	TO 1 – 80, 25.04.2006	Tariff to Tuition Center run by Thiru Saravanakumar a Blind, Changed to LT Tariff I C
3	TO 1 – 81, 26.04.2006	Provision of Tariff subsidy by Government of Tamil Nadu

S. No.	Order No and Date	Details of Order
		for extension of free supply to Agricultural, Hut consumers, reduced tariff to Domestic , Actual Places of Public Worship and Power looms .
4	TO 1 – 82, 04.05.2006	Extension of Agriculture services under SFS for recycling of drainage water and using it for Agriculture
5	TO 1 – 83, 30.05.2006	Change of tariff to pumpset in Government Coconut Nurseries to LT Tariff IV – Agriculture
6	TO 1 – 84, 31.05.2006	Tariff to residential Colony of M/s. Tuticorin Alkali Chemicals and Fertilizers Ltd. to be restored to LT Tariff I A as prevailed on 15.3.03.
7	TO 1 – 85, 20.06.2006	Tariff to World Community Center, Tiruvanmiyur changed from LT Tariff V to LT Tariff I C
8	TO 1 – 86, 20.06.2006	Tariff to Museum maintained by the Archaeological Dept. within Thanjavur Palace premises from LT Tariff I to LT Tariff I C
9	TO 1 – 87, 28.06.2006	Tariff to the services of Live stock Farms of Animal Husbandry . changed to LT Tariff III A (1), III B and II A
10	TO 1 – 88, 4.7 .2006	Application of HT Tariff I A to the Body Building unit of Tamil Nadu State Transport Corporation Ltd. to take effect from 5.6.02 instead of from 3.4.2004.
11	TO 1 – 89, 24.7.2006	Applicability of HT Tariff I A to AAVIN, Coimbatore from 27.3.2000.
12	TO 1 – 90, 8.9.2006	Provision of Tariff subsidy by Government of Tamil Nadu for extension of free electricity to Agriculture consumers under SFS, Handloom and Powerloom consumers
13	TO 1 – 92, 19.10.2006	Tariff to MUKTI, a Charitable Organisation changed from LT Tariff V to LT Tariff II B
14	TO 1 – 93, 19.10.2005	Tariff to the Rehabilitation Centre run by BANYAN, a NGO changed from LT Tariff II B to LT Tariff I C.
15	TO 1 – 94, 31.10.2006	Change of Tariff from HT III to HT II B to the Jesus Calls
16	TO 1 -95, 3.11.2006	Scheme of providing colour TVs – Below Poverty Line (BPL) – wattage of hut service increased
17	TO 1-96 , 3.11.2006	Relaxation of norms for extension of Hut services in Nilgiris District
18	TO 1-97, 3.11.2006	Submission of Master Metering Plan and Metering of Agriculture and Hut services – Extension of time upto 31.3.2009 granted
19	TO 1 – 98 6.12.2006	Change of Tariff to Yoga Centers of Isha Foundation from LT Tariff V to LT Tariff I C

III. Consumer service related issues

- Consumer Grievance Redressal Forums (CGRF) established : 37 Nos.
- Full Time Electricity Ombudsman, Thiru R.Rajupandi appointed on 13-6-2006 .
No. of petitions were filed : 15

No. of petitions disposed : 12

- Consumer advocacy wing established
- Publication of a quarterly magazine “ Min Nugarvor Thunaivan” issue released
- Publication of “ Min Nugarvor Vazhikatti” (a guide to consumers)
- 3 pamphlets of each 10,000 copies
- Radio talks in All India Radio (issue of booklets (English and Tamil) in the form of frequently asked question (FAQ))

IV. Petitions before the Commission

Type	Pending at the beginning of 2006-07	Filed during 2006-07	Disposed during 2006-07	Pending at the end of 2006-07
Dispute resolution petitions	1	6	6	1
Tariff Petition	1	Nil	1	Nil
Tariff Review Petitions	Nil	5	5	Nil
Miscellaneous petitions	9	19	25	3
Petition for power purchase agreement approval	Nil	1	Nil	1

Details of orders passed by TNERC during FEB 2007 to March 2007

Date of Order	Type of Petition and Petition No.	Name of the Petitioner	Name of the Respondents	Result
6-2-2007	Review Petition No.4 of 2006	TNEB	M/s Nethaji Apparel Park and 2 others	Dismissed
15-3-2007	Review Petition No.2 of 2006	TNEB	---	Dismissed
15-3-2007	Review Petition No.3 of 2006	TNEB	---	Dismissed
15-3-2007	Miscellaneous Petition No. 17/2006	Global Energy Ltd	---	Dismissed

1. In RP No.4, TNEB had sought review of the order No. 1-77 dated 20.3.2006 of the Commission which permitted the respondents to avail a single point of HT supply to its constituents.
2. In R.P.No.2, TNEB had sought review of the Order No. 3 dt. 15-5-2006 in respect Non-conventional Energy Sources based Generating Plants and Non-conventional Energy Sources based Co-Generation Plants.
3. In R.P.No.3, TNEB had sought review of the Order No. 4 dt. 15-5-2006 on power purchase and other allied issues in respect of Fossil Fuel based captive power plants and co-generation.

4. In M.P. No. 17, Global Energy Ltd had sought an interim licence permitting it to undertake intra-state trading licence pending disposal of application for grant of intra-state trading licence.

V. Details of Regulations/Codes

Details of amending regulations issued:

- a) Tamil Nadu Electricity Supply Code: Two Nos.
- b) Tamil Nadu Electricity Distribution Code: Four Nos.
- c) Regulations for Consumer Grievance Redressal Forum and Electricity Ombudsman: One No.
- d) State Advisory Committee Regulation: One No.
- e) Fees and Fines Regulation: One No.
- f) Terms and conditions for determination of Tariff Regulation: One No.
- g) Tamil Nadu Electricity Distribution Standards of Performance Regulation: Three Nos.

(9) UTTARAKHAND

Activities undertaken by Uttarakhand Electricity Regulatory Commission (UERC) during the FY 2006-07.

1. Issued Tariff Orders for Generating, Transmission and Distribution Company. Salient features of the retail tariff order for distribution company were:
 - a. Minimum charges for all categories of consumers were abolished.
 - b. Normative Billing linked to the contracted load being done on account of for defective meters, not read meters, appears defective meters, consumer not available and similar other reasons had been discontinued. In all such cases when the actual meter reading was not available, for whatever reason, the consumer would be billed on the basis of his average consumption in three billing cycles prior to the date meter became defective.
 - c. For new connections and un-metered consumers getting metered for the first time, normative billing linked to the contracted load would be done only for the first two billing cycles. Thereafter, billing should be done on the basis of meter reading and the amount realized during the first two billing cycles would be suitably adjusted.
 - d. In view of delays in distribution of bills 15 days grace period had been allowed to all consumers after the due date printed on the bill. Delayed payment surcharge would therefore be levied only after 15 days from the due date.
 - e. To avoid calculation of delayed payment surcharge for each consumer, the amount payable on the scheduled date and some other dates thereafter would be printed in the bill itself.
 - f. ToD meters would necessarily be installed for all commercial consumers with connection load of 25 kW or above. For consumers with lesser load installation of ToD meters would be optional and would enable them to take advantage of the lower tariff.

- g. All ToD meters would be read only through meter reading instrument (MRI) and manual reading of such meters would not be done. Violation of this direction would invite appropriate penalty on individual officers found responsible directly or indirectly.
 - h. Concessional tariff for BPL domestic consumers with consumption upto 30 units/month and all domestic consumers in snow bound areas as well as non-domestic consumers in snow bound areas with connected load upto 2 kW would continue.
 - i. To help the power system in the State by reducing demand for water heating during morning hours in winter months, the Commission enhanced the existing rebate by Rs. 25/- per month and also to link it with the capacity of the system. This rebate would now be available to all consumers at the rate of Rs. 75 per each 100 litres capacity.
 - j. To harness captive Generation in line with National Electricity Policy and to supply to stand alone captive plants (Not consumers of UPCL), supply be made available for startup requirement or on tripping at tariff as specified under rate schedule for temporary supply. Other captive generators and consumers of UPCL, be charged tariff as applicable to concerned category and no other fee or charges should be levied. However, synchronization responsibility to lie with captive generators.
 - k. The Commission assigned an investigation to an expert agency under section 128 of the Electricity Act, 2003, which revealed that UPCL had recovered excess amount of Rs. 755.53 crore. The Commission had directed that surplus should be transferred to the Network Development Fund (NDF) and this fund would be used for leveraging fresh investments for upgrading and strengthening the distribution network.
2. The Commission entrusted a study to IIT, Roorkee for analyzing licensee's billing data and to find out irregularities in billing system. On the report of IIT, the Commission issued time bound directives to UPCL for improvement in their billing system.
 3. The Commission had undertaken a drive to monitor energy accounting and for this purpose, prescribed formats in which reports are being sought from transmission and distribution sub-stations.
 4. The Commission developed an online data base information kiosk. This Kiosk could be used for knowing current and past details of electricity bills, number of hours on power cuts, Regulations of the Commission and other useful information.
 5. The Commission passed Tariff Orders for 12 Small Hydro Power Plants in the State.
 6. The Commission imposed a penalty on the distribution licensee for the delay in implementing ToD tariff in the State within the time frame as prescribed by the Commission.
 7. The Commission took initiative to provide continuous supply in the State by giving permission to the distribution company for purchase of additional power during peak hours and introduced a transparent system under which the licensee is

- required to publish the schedule of power cuts in State well in advance for the information to general public.
8. Almost all regulations as required for the smooth functioning in the sector, are made by the Commission. During 2006-07(up to april07), the Commission notified the following Regulations:
 - a. UERC (Terms and Conditions for Determination of Distribution Tariff) (First Amendment) Regulations, 2006
 - b. UERC(Terms & Conditions for Determination of Hydro Generation Tariff)(First Amendment) Regulation, 2006
 - c. UERC(Guidelines for Appointment of Members and Procedure to be followed by the Forum for Redressal of Grievances of the Consumers) Regulations,2007
 - d. UERC(Release of new LT Connections, Enhancement and Reduction of Loads) Regulations,2007
 - e. Uttarakhand Electricity Regulatory Commission (Distribution Code) Regulations, 2007
 - f. UERC (State Grid Code) Regulations, 2007
 - g. UERC (Standards of Performance) Regulations, 2007
 - h. UERC Electricity supply code Regulations 2007
 - i. Amendment in Approach to Initial Tariff for New Hydro Generating Stations with capacity above 1 MW and upto 25 MW.
 9. The Commission had also contested cases in Appellate Tribunal for Electricity and Supreme Court, where it felt that power of the Commission was either undermined or the interest of the consumers needs to be defended. Some of the important cases were tariff determination order for steel industries, generation tariff and constitution of Redressal Forum (Where licensee's officers were made members of the Forum) tariff for Railways, etc.

(10) UTTAR PRADESH

Achievements of UPERC during FY 2006-07 :

- Regulations on following subjects were notified:
 - Determination of Generation Tariff
 - Determination of Distribution Tariff
 - Determination of Transmission Tariff
 - Open access,
 - Electricity trading,
 - Fee & charges for SLDC, and
 - Terms and Conditions of supply of electricity from captive and non-conventional energy source base plants.
 - Grid Code
 - Supply Code 005 (3rd Amendment)
- Issued the Intra- State Trading license to M/s Global Energy Ltd.
- Revision of 'Consumer Grievance' and 'Appointment of Electricity Ombudsman' regulations.

- Developed model for examining the prudence of investment in R&M of thermal power station.
- Approval of bid documents for inviting competitive bids for 1000 MW Anpara-C project, review petitions, monitoring of bidding process.
- Approval of PPAs relating to -
 - Vishnu Prayag Hydroelectric Project (400 MW),
 - Srinagar Hydroelectric Project (330 MW), and
 - 600 MW Rosa Thermal Power Stations.
 - 53 PPAs with cogeneration, biomass, industrial waste and solar plants aggregating to salable capacity of about 1200MW
- Approval of –
 - Multi year tariff (FY 05-06, 06-07 & 07-08) of generating stations of UPRVUNL.
 - Multi year tariff (FY 05-06, 06-07 & 07-08) of generating stations of UPJVNL.
- Finalization & Formulation of Tariff for FY 05-06 of UPPCL, 4 Discoms, KESCO & NPCL.
- Proceeding in the matter grant of second distribution license to M/s Reliance in the municipal areas of Ghaziabad, Meerut and Noida concluded.
- Preparation for implementation of ABT & Open Access in the State.
- Discussion paper exploring purchase of electricity from non-conventional sources of energy through competitive bidding and alternative fuel for co-gen plants for generation during non-crushing season.

The Commission introduced Reliability Indexes & Performance Benchmarks in Electricity Supply Code 005 (3rd Amendment). To strengthen the mechanism of removal of consumer grievances, the Commission organized two workshops involving Ombudsman and the Members of CGRF.

MEMBERS OF FORUM OF REGULATORS (FOR) 2007-08

S. No.	Name of ERC	Name
01.	CERC	—
02.	Andhra Pradesh ERC	Shri K. Swaminathan
03.	Assam ERC	Shri Pranab Kumar Bora
04.	Bihar ERC	Shri B.K. Halder
05.	Chhattisgarh State ERC	Shri S.K. Misra
06.	Delhi ERC	Shri Berjinder Singh
07.	Gurajat ERC	Shri G. Subba Rao
08.	Haryana ERC	Shri Bhaskar Chhatterjee
09.	Himachal Pradesh ERC	Shri Yogesh Khanna
10.	J&K State ERC	Shri K.B. Pillai
11.	Jharkhand State ERC	Shri S.K.F. Kujur
12.	Karnataka ERC	Shri K.P. Pandey
13.	Kerala State ERC	Shri C. Balakrishnan
14.	Madhya Pradesh ERC	Dr. J.L. Bose
15.	Maharashtra ERC	Dr. Pramod Deo
16.	Meghalaya State ERC	Shri Vinay Kohli
17.	Orissa ERC	Shri Bijoy Kumar Das
18.	Punjab State ERC	Shri Jai Singh Gill
19.	Rajasthan ERC	—
20.	Tamil Nadu ERC	Shri S. Kabilan
21.	Tripura ERC	Shri S.S. Chakraborty
22.	Uttar Pradesh ERC	Shri Vijoy Kumar
23.	Uttarakhand ERC	Shri V.J. Talwar
24.	West Bengal ERC	Shri S.N. Ghosh
25.	JERC for Manipur & Mizoram	Shri Hemam Bihari Singh

6. ACHIEVEMENTS DURING THE YEAR 2007-08

❖ Achievements of CERC

❖ OUTCOME OF REGULATORY PROCESS IN TERMS OF BENEFITS TO CONSUMERS AND DEVELOPMENT OF SECTOR

Tariff Regulation under the Electricity Act, 2003

After the enactment of Electricity Act, 2003, Commission notified the 'Terms & Conditions of tariff' in March 2004 for the **period 2004 to 2009**.

The tariff of central generating stations and transmission systems continued to be based on actual capital expenditure duly audited by the Auditors. In case of new projects, only the actual expenditure incurred and paid is considered for fixation of tariff instead of the gross block which includes unpaid liabilities as well.

The above regulations provide for furnishing of information regarding execution of projects namely details of contract packages, manner of execution i.e. competitive bid/deposited work/negotiated, number of bidders, cost of work whether firm or with escalation and actual cost incurred on completion etc. Commission examines closely the contracted packages where sufficient competition is lacking.

It has been seen that actual capital cost on completion of projects has been lower than the original estimates/GoI approvals in case of recently executed following projects:

Name of station/ Capacity (MW)	COD	Estimated completed cost (Rs. crore)	Capital cost admitted as on COD (Rs. crore)
Simhadri STPS (1000 MW)	1.3.2003	3796.88	3243.58
Ramagundam Stage-III (500 MW)	25.3.2005	1658.80	1313.56
Talchar Stage-II (2000 MW)	1.8.2005	5697.57	4375.28
Rihand Stage-II (1000 MW)	1.4.2006	3006.00	2646.74

In principle approval of capital cost of private sector projects

The Commission has granted in-principal approval of the following private sector power projects:

- Capital cost of Rs. 4299.82 crore for Nagarjuna thermal power project (1015 MW) at Manglore based on imported coal, which is under execution and is expected to be commissioned in 2008-09. The capital cost of this project is comparable with capital cost of Simhadri STPS commissioned in 2003-04 after making suitable adjustment for site specific features like FGD, Jetty etc.
- Capital cost of two gas based projects namely Sugem Combined Cycle Power Project (1128 MW) by Torrent Power Ltd. and Hazira Combined Cycle Power Project (1500 MW) by Essar Power Limited in Gujarat.
- The capital cost of Sugem project has been worked out at Rs.2.77 crore per MW and that of Essar Power is Rs. 2.60 crore per MW.
- The capital cost of gas based projects is much lower than the other IPP projects in late nineties which were of the order of Rs. 3.85 crore per MW. This reduction in capital costs are also attributable to change in market conditions and execution of projects through competitive bid packages.
- **The benefit of competition in execution of projects and regulatory oversight are getting passed on to the beneficiaries. The regulatory oversight and accountability has kept the prices under check so far.**

Section 63 of the Act, 2003 provides for adoption of tariff by CERC if it is determined through the process of competitive bidding as per the guidelines of Government of India.

The CERC has played an active role and has advised Ministry of Power from time to time in finalizing competitive bidding guidelines and its notification in January, 2005 and subsequent amendments. In line with the competitive bidding guidelines, the equivalent levelised tariffs discovered have shown a remarkable trend as was seen in the case of

- i) Sasan UMPP based on capite mine coal: Rs. 1.19/kWh
- ii) Mundra UMPP based on imported coal : Rs. 2.26/kWh
- iii) Krisnapattnam UMPP based on imported coal : Rs.2.33/kWh

The petition seeking adoption of tariff for the Krisnapattnam UMPP proposed through competitive bidding is under consideration of the CERC.

The actual tariff shall be based on escalation rate notified by the CERC from time to time.

Role of CERC in extending benefits to consumers

Significant benefits have accrued to the consumer due to the initiatives of CERC and achieving of efficiency in operation of utilities through regulations of CERC.

From a consumer's perspective, the Electricity Act, 2003 has twin objectives of benefiting the consumers through reasonably determined regulated tariffs and reducing the cost of supply by bringing about competition in various segments of the electricity supply industry.

The Central Commission has been proactive in implementing the intent of the Act on both above-mentioned fronts.

The following regulations of CERC have the potential of reduction in bulk electricity tariff of central generating station under the new Terms & Conditions for the period 2004-09:

(i) Reduction in Return on Equity (ROE)

Reduction in ROE from 16% to 14% for the tariff period 2004-09 has reduced the fixed component of the tariff.

(ii) Adoption of Debt Equity Ratio of 70:30 for the New Investment

The capital investment of the old projects of the central generating companies was being serviced on debt equity ratio of 50:50. The new Terms & Conditions provide that the new investment on or after 1.4.2004 shall be serviced in the ratio of 70:30 and in case the equity deployed is less than 30%, the actual equity is to be considered for the purpose of tariff. **Since the equity fetches a higher return than the loan, the reduction in the equity components will reduce the cost of production of the central generating stations.**

(iii) Rationalization of Depreciation

The accelerated rate of depreciation of 7.5% allowed to thermal generating station by the GOI has been dispensed with.

This was with a view to reducing front loading of tariff and reducing price of electricity to the SEBs/DISCOMs.

(iv) Higher Benchmarks of Performance

The norms of station heat rate, secondary fuel oil consumption and auxiliary energy consumption for coal/lignite/gas based station have been revised with a view to achieving economy and improving efficiency and reducing bulk tariff.

Consequent to renovation and modernization of Tanda TPS (4 x 110 MW), after its acquisition by NPTC, Talchar TPS (460 MW), Badarpur TPS (705 MW) the Commission has tightened its norms of performance and operation

Revision in operating norms has the potential of reducing the variable charge component of tariff.

(v) Norms for loss of coal in transit

In the tariff regulations for the period 2004-09, normative transit and handling losses as percentage of the quantity of coal dispatched by the coal supply company during the month have been specified

(vi) Norms for O&M expenses

In the tariff regulations for the period 2004-09, the Commission has adopted normative approach towards O&M expenses to be allowed for thermal generating stations. This encourages the generating companies to economize their O&M expenses and keep the cost of generation under control.

Similar norms have been set for lignite fired thermal stations as well as gas turbines / combined cycle generating stations.

(vii) Target Availability / Capacity Index

The general norm of target availability for thermal generating station was adopted as 80% and for lignite-based stations TPS-II the norm was 72% for the period 2001-04. The target availability norm for thermal generating station has been retained as 80% for the period 2004-09, while the norm for lignite-based stations has been raised to 75%.

In case of hydro stations, capacity index norms for the Run of the River type hydro stations have been raised to 90% from 85%. **The raising of availability norms has positive impact on reliability of power supply.**

Role of CERC in Development of Sector

1. The following changes in the new terms & conditions of tariff for 2004-05 are providing an investor friendly environment conducive to power development through light handed regulation incorporating system of in built rewards for efficiency of operation :

(a) Normative Interest on Working Capital

The old Terms & Conditions for the period 2001-04 provided for computation of interest on working capital based on norms of fuel stock, fuel consumption etc. and were subject to actual. However, under the new Terms & Conditions for the period 2004-09, any reference to actual has been removed and interest on working capital has to be computed on the normative fuel stock and fuel consumption etc.

This has the potential of incentivising generators to optimise their resources and bringing in more efficiency in operation.

(b) Normative O&M for Thermal

The O&M cost norms were earlier based on 5 years actual. In the Terms & Conditions of tariff, the O&M cost for thermal have been specified in Rs./MW terms. **This enables the generators to know their O&M expenses recovery in advance and incentivise them to optimise their resources.**

(c) Normative Performance Benchmarks

The Terms & Conditions of the tariff for 2001-04 provide for computation of energy charges based on norms but the same were subject to adjustment if the actual were lower than the normative operational parameters of stations heat rate, specific fuel oil consumption and auxiliary energy consumption. There was no incentive for the generators to bring about efficiency in operation or to conserve specific fuel oil.

The above dispensation of actual or norm whichever is lower have now been removed in the new Terms & Conditions of tariff for the period 2004-09 and the norms have been lightened. **The normative operational parameters now incentivise generators to operate its plant efficiently and in optimum manner.**

(d) Uniform norms of O&M for inter-State Transmission System

The O&M expenses for inter-state transmission system for the period 2001-04 were based on actual or linked to capital cost for new transmission system. The regulation on terms & condition of tariff for the period provide for a uniform O&M norms based on Rs.per Km line or Rs.per substation bay to be applied for working out regional O&M charges for the inter-state transmission system.

(e) Open Access in Inter-state Transmission and market development

In pursuance of the Electricity Act-2003, the Regulations for implementing Open Access in transmission were finalized by CERC indigenously without help of any consultant, for the first time in the country in February 2004. These were operationalised with effect from 06.05.2004. With open access mechanism in place, eligible customers, generating companies and licensees can avail open access to inter state transmission system in accordance with the specified procedure.

The Open Access (OA) Regulations in inter state transmission have facilitated and streamlined electricity trading. The number of OA transactions increased from 778 in 2004-05 to 5933 in 2006-07. Presently, the OA transactions are mostly among distribution utilities of surplus and deficit regions. It is possible to trade power across different regions of the country. As and when intra-state special energy meters are in place and SLDCs are geared up, it would be possible to harness captive and other intra State sources of generation and the depth of the electricity market would be further extended.

The Commission has issued the guidelines for setting up of the Power Exchange. It is hoped that the setting up of Power Exchange would bring about equity and transparency and efficiency in electricity trading resulting in better resource optimization and providing stronger signal for investment.

STATUS REGARDING IMPLEMENTATION OF NATIONAL ELECTRICITY POLICY (NEP) - 2007-08

1. GRID Codes

Provision in NEP (National Electricity Policy)

5.3.2

- *The State Regulatory Commissions who have not yet notified the grid code under the Electricity Act 2003 should notify the same not later than September 2005.*

<u>S. No.</u>	<u>SERC</u>	<u>Date of Notification</u>	<u>Status</u>
1.	APERC	1999	Notified
2.	AERC	Aug 7 th , 2004	Notified
3.	BERC	N/A	Under preparation
4.	CSERC	Dec 30, 2006	Notified
5.	DERC	Mar 31 st , 2008	Notified
6.	GERC	Aug 25, 2004	Notified
7.	HERC		Interim Grid Code is in place.
8.	HPERC	N/A	Under preparation

9.	JSERC	N/A	Grid Code issued for comments
10.	J&KSERC	N/A	Draft Notified
11.	KERC	Jan 26, 2006	Notified
12.	KSERC	Jan 13, 2006	Notified
13.	MPERC	Aug 20 th , 2005	Notified
14.	MERC	April 1 st ,2006	Notified
15.	MsERC	N/A	Not notified.
16.	OERC	June 14, 2006	Notified
17.	PSERC	Mar 9, 2006	Notified
18.	RERC	Oct 15,2007	Notified and for the revised Grid Code will notify shortly.
19.	TNERC	Dec 14, 2005	Notified
20.	TERC	N/A	Awaiting for publication
21.	UERC	April 09, 2007	Notified
22.	UPERC	July 14, 2007	New Grid Code Notified
23.	WBERC	Jan 16, 2006	Notified

2. Technology Up-gradation

Provision in NEP:

5.3.3 *The Regulatory Commissions need to provide facilitative framework for non-discriminatory open access. This requires load dispatch facilities with state-of-the art communication and data acquisition capability on a real time basis. While this is the case currently at the regional load dispatch centers, appropriate State Commissions must ensure that matching facilities with technology upgrades are provided at the State level, where necessary and realized not later than June 2006.*

S. No.	SERC	Status
1.	APERC	For all high value services, high quality static meters are being installed, GIS/GPS based consumer indexing and Asset Tracking work is under progress, Computerization of Circle offices and section offices by providing connectivity through WAN is under progress
2.	AERC	SLDC equipped with technology equivalent to RLDC. LDC not yet established
3.	BERC	SLDC is functioning at BSEB H.Q. Upgradation of SLDC has been taken up by Powergrid under ULDC project. The work of SCADA is under progress by Powergrid.
4.	CSERC	Up-gradation in progress. SCADA installed-up-gradation in progress.
5.	DERC	<ol style="list-style-type: none"> 1. Billing by all the three discoms completely computerized 2. Electronic meters installed in about 90% cases. 3. HVDS / LT Aerial bunched (AB) Conductors installation being vigorously pursued for AT&C loss reduction.

		<p>4. Installation of Gas Insulated Switchgear(GIS) being pursued by Delhi Transco Limited and Discoms to overcome space constraint.</p> <p>5. Automatic Meter Reading (AMR) for high end consumers.</p> <p>6. GIS mapping and indexing of consumers in progress.</p> <p>7. DT metering completed.</p> <p>8. SCADA system installation completed.</p> <p>9. SLDC fully functional and properly interfaced with RLDC as well as Discoms' control centres.</p>
6.	GERC	Upgrades almost complete with aid of 'Powergrid' as consultant
7.	HERC	SLDC is functional at Panipat (Sewah), HVPNL(STY) is responsible for its up-gradation for which necessary directions have been issued by the HERC.
8.	HPERC	SLDC & ALDC have been established, but their functioning is limited to data acquisition. SLDC may require up-gradation once the intra state ABT taken place.
9.	JSERC	No plan has been submitted by JSEB.
10.	J&KSERC	Facilities available.
11.	KERC	KPTCL has taken up the upgradation of SCADA under integrated SCADA scheme and proposes to complete the same by the end of 2008.
12.	KSERC	SCADA already implemented through ULCDs in 2001.
13.	MPERC	SLDC has made provision to display the online activities and power flow from generation. Sub-SLDC at Bhopal and Indore under ULDC projects has been completed. SLDC has been made technologically equipped for implementation of Intra-state ABT. Necessary hardware and software have been procured and presently are under trial. The implementation of Intra-state ABT is under progress. Only the Balancing and Settlement Code is to be notified.
14.	MERC	<p>1. The Commission has directed STU (MSETCL) to increase Remote terminal Units (RTU) from 65 to 140 and also undertake Comprehensive Communication Plan utilizing optical fiber backbone and multi access radio equipments.</p> <p>2. Implementation of SAP for Maha Transco & Maha Genco is in process of approval.</p> <p>3. Installation of ABT by Maha Transco is in progress expected to complete by Sept'08</p> <p>4. TPC-T has proposed for high opacity Conductors, which is in principle approved by the Commission.</p> <p>5. REL-D has proposed to implement of Distribution Management System.</p> <p>6. SCADA system has been recommended for the all the Utilities.</p>
15.	MsERC	No information from Meghalaya State Electricity Board.
16.	OERC	ULDC though set up by OPTCL requires further up-gradation
17.	PSERC	Technology up-gradation of SLDC already done.

18.	RERC	Technological up gradation of SLDC and SCADA has been completed. Display of Discom-wise data at Discom HQ is yet to be completed.
19.	TNERC	<ul style="list-style-type: none"> • The provision of SCADA and communication facility to all SS under progress is likely to be completed by Dec 2007 by TNEB. • Automatic Data Logging System (ADLS) has been already introduced in substation and is being extended to all other substations in phased manner by TNEB. • The proposal for connecting additional 230KV SS and hydro power houses to the SLDC through PLCC modems is under progress.
20.	TERC	Project in progress
21.	UERC	SLDC is being upgraded.
22.	UPERC	SLDC has established Multi-Buyer Multi-Seller Unit with necessary infrastructure to undertake energy UI accounting under ABT, however, licensees have informed that real time online data exchange system is yet to be operationalized Accounting software developed are under test and personnel are being trained in ABT related matter. SLDC is already functioning and carrying out energy accounting from Tanda TPS under ABT.
23.	WBERC	SLDC matches the facilities that of RLDC

3. Open Access Transmission Charges & Distribution networks Charges

Provision in NEP:

5.3.3 *Non-discriminatory open access shall be provided to competing generators supplying power to licensees upon payment of transmission charge to be determined by the appropriate Commission. The appropriate Commissions shall establish such transmission charges no later than June 2005.*

5.4.5 *Section 49 of the Act provides that such consumers who have been allowed open access under section 42 may enter into agreement with any person for supply of electricity on such terms and conditions, including tariff, as may be agreed upon by them. While making regulations for open access in distribution, the SERCs will also determine wheeling charges and cross-subsidy surcharge as required under section 42 of the Act.*

WHEELING CHARGES(Paise/Unit)

S.No	SERC	Year	Utility	EHT/132kv	HT/33/66k V	HT/11kV	LT
1	AERC	2007-08	LAEDCL		79.00	79.00	79.00
			CAEDCL		106.00	106.00	106.00
			UAEDCL		73.00	73.00	73.00
2	BERC	2007-08			32.70		
3	CSERC	2007-08			15.00		
4	DERC	2007-08	BRPL	0.00	7.66	32.80	62.19
			BYPL	0.00	7.96	34.13	70.71
			NDPL	0.00	9.32	40.90	72.71
5	HERC	2007-08			25.00	25.00	25.00
6	HPERC	2007-08				66.00	137.00
7	JSERC				15.60	15.60	15.60
8	KERC	2007-08	BESCOM		6.00	6.00	14.00
			MESCOM		17.00	17.00	40.00
			CESCO		16.00	16.00	36.00
			HESCOM		17.00	17.00	38.00
			GESCOM		20.00	20.00	47.00
9	MsERC				20.05	20.05	20.05
10	OERC	2008-09	WESCO		52		
			NESCO		64		
			SOUTHCO		67		
			CESU		74		
11	RERC	2008-09		1.00	11.00	32.00	
12	TNERC	2005-06			14.74	14.74	14.74
13	UPERC	2008-09	LTOA		28.00	45.00	
			STOA		7.00	11.00	
14	WBERC	2007-08		(a) Long-term customers		(b) Short-term customers	
				A	B	A	B
			CESC LTD	26.26	78.78	21.21	63.02
			WBSEDCL	24.00	72.01	19.20	57.61
			DPSCCL	8.07	24.21	6.46	19.37
			DPL	5.63	16.88	4.50	13.50
			A= For energy generating from co-generation and non-conventional/renewable energy sources				
			B=For energy generation from other sources				

S.No.	States	Year	Utility	33/66kV	11kV	LT	
1	APERC	2008-09	APCPDCL	Rs/ KVA/Month	32.77	92.52	130.37
			APEPDCL	Rs/ KVA/Month	10.74	53.98	218.94
			APNPDCL	Rs/ KVA/Month	24.65	90.2	194.61
			APSPDCL	Rs/ KVA/Month	23.82	104.83	146.63
2	GERC	2007-08		Rs/MW/Month	67210.00	67210.00	67210.00
				Rs/MW/Day	2205.00	2205.00	2205.00
3	J&KEREC	2008-09		As per ST rate of NR			
4	KSERC						
5	MERC	2007-08	MSEDCL	Rs/KW/Month	38.00	245.00	
			REL	Rs/KW/Month	120.82	120.82	
			TPC	Rs/KW/Month	111.00	111.00	
6	MPERC	2008-09		NA			
7	PSERC	2008-09	LTOA	Rs/MW/Day	4431.00		
			STOA	Rs/MW/Day	2659.00		
8	TERC			-			
9	UERC	2008-09	To be decided on case to case basis				

Transmission Charges(28.08.08)

S. No.	SERC	Year	LTOA (Rs./MW/Month)	STOA (Rs./MW/Day)
1	APERC	2008-09	38910.00	1297.00
2	AERC	2007-08	54 Paise/Unit	54 Paise/Unit
3	BERC	2007-08	70509.00	579.00
4	CSERC	2007-08	63030.00	518.00
5	DERC	2007-11	As per the MYT order issued on 20.12.2007 for DTL	
6	GERC	2007-08	76521.00	627.50
7	HERC	2007-08	120.85	1007.00
8	HPERC	2007-08	16.00 Paise/Unit	As per CERC Regulations
9	JSERC	2006-07	11.00 Paise/Unit	11.00 Paise/Unit
10	J&KSERC	2007-08	As per ST rate of NR	
12	KERC	2008-09	95869.00	788.00
11	KSERC		10.00 Paise/Unit	10.00 Paise/Unit
13	MPERC	2008-09	67649.70	563.75
14	MERC	2007-08	126860.00	1057.33
15	MsERC		20.05 Paise/Unit	20.05 Paise/Unit

16	OERC	2008-09	151200.00	1260.00	
17	PSERC	2008-09	132930.00	2659.00	
18	RERC	2008-09	94780.00	3159.00	
19	TNERC	2005-06	83430.00	695.25	
20	TERC		Yet to be decided		
21	UERC	2008-09	40320.00	1344.00	
22	UPERC	2008-09	132KV & above	16.00 Paise/Unit	04.00 Paise/Unit
			132 KV	22.00 Paise/Unit	05.00 Paise/Unit
23	WBERC	2007-08	111678.00	930.65	

Total 22 SERCs have determined Transmission Charges

4. Time-Bound Program on Aggregate Technical & Commercial Losses

Provision in NEP:

5.4.6 A time-bound programme should be drawn up by the State Electricity Regulatory Commissions (SERC) for segregation of technical and commercial losses through energy audits. Energy accounting and declaration of its results in each defined unit, as determined by SERCs, should be mandatory not later than March 2007. An action plan for reduction of the losses with adequate investments and suitable improvements in governance should be drawn up. Standards for reliability and quality of supply as well as for loss levels shall also be specified, from time to time, so as to bring these in line with international practices by year 2012.

<u>S. No.</u>	<u>SERC</u>	<u>Status</u>																																																												
1.	APERC	<p>Following targets has been decided by SERC:</p> <p>Distribution Losses:</p> <table border="1"> <thead> <tr> <th colspan="4">CPDCL</th> </tr> <tr> <th></th> <th>2006-07</th> <th>2007-08</th> <th>2008-09</th> </tr> </thead> <tbody> <tr> <td>33 KV</td> <td>4.21%</td> <td>4.00%</td> <td>3.81%</td> </tr> <tr> <td>11 KV</td> <td>11.34%</td> <td>10.73%</td> <td>10.25%</td> </tr> <tr> <td>LT</td> <td>22.37%</td> <td>20.33%</td> <td>19.58%</td> </tr> <tr> <th colspan="4">EPDCL</th> </tr> <tr> <td>33 KV</td> <td>6.10%</td> <td>5.92%</td> <td>5.78%</td> </tr> <tr> <td>11 KV</td> <td>10.85%</td> <td>10.51%</td> <td>10.27%</td> </tr> <tr> <td>LT</td> <td>19.11%</td> <td>17.84%</td> <td>17.11%</td> </tr> <tr> <th colspan="4">NPDCL</th> </tr> <tr> <td>33 KV</td> <td>5.45%</td> <td>5.18%</td> <td>4.92%</td> </tr> <tr> <td>11 KV</td> <td>11.40%</td> <td>10.83%</td> <td>10.29%</td> </tr> <tr> <td>LT</td> <td>21.24%</td> <td>19.28%</td> <td>18.29%</td> </tr> <tr> <th colspan="4">SPDCL</th> </tr> <tr> <td>33 KV</td> <td>4.85%</td> <td>4.67%</td> <td>4.49%</td> </tr> </tbody> </table>	CPDCL					2006-07	2007-08	2008-09	33 KV	4.21%	4.00%	3.81%	11 KV	11.34%	10.73%	10.25%	LT	22.37%	20.33%	19.58%	EPDCL				33 KV	6.10%	5.92%	5.78%	11 KV	10.85%	10.51%	10.27%	LT	19.11%	17.84%	17.11%	NPDCL				33 KV	5.45%	5.18%	4.92%	11 KV	11.40%	10.83%	10.29%	LT	21.24%	19.28%	18.29%	SPDCL				33 KV	4.85%	4.67%	4.49%
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		LT	18.92%	17.47%	16.64%
		Transmission Losses :			
			FY 2006-07	FY 2007-08	FY 2008-09
		Transmission Losses %	4.45%	4.30%	4.20%
2.	AERC	Discoms have initiated a study on AT&C losses in selected 11kV feeders through Consultant M/s Price Water House Coopers. Actions were taken as per report submitted by the Consultant.			
3.	BERC	Road map for reduction of AT&C loss and also segregation of AT&C losses given to BSEB.			
4.	CSERC	Board proceeding with T&D loss study. Targets for loss reduction 3% have been given up to 2007-08 bringing it down to 32.54%.			
5.	DERC	<p>The Commission has finalised the AT&C loss targets and incentivisation framework for the Control Period 2007-11 ending 31st March, 2011:</p> <p>(a) AT&C loss levels have been specified at 17 percent for NDPL and BRPL, 22 percent for BYPL and 10 percent for NDMC at the end of the Control Period;</p> <p>(b) Equal sharing of benefits between the licensee and the contingency reserve (which is used for consumers benefit), on account of gains arising out of better performance vis-à-vis the approved AT&C loss target; and</p> <p>(c) Licensees to retain all gains accruing out of achieving loss levels below 15 percent for NDPL and BRPL, 20 percent for BYPL and 9 percent for NDMC.</p>			
6.	GERC	<p>In Tariff Order dated, 31-03-2007, the distribution licensees are directed to prepare a road map to reduce the distribution losses over the next five years (2007-08 to 2011-12).</p> <p>Details regarding Energy Audit also called from unbundled licensees.</p>			
7.	HERC	Set target of 30.5% distribution loss level to be achieved in FY 2006-07. A view on AT&C loss shall be taken once segregation of feeder is completed by the Discoms by the end of the year.			
8.	HPERC	Draft Report for T&D loss submitted by Consultant and is under examination.			
9.	JSERC	No action taken by Licensee			
10.	J&KSERC	Likely to take more time.			
11.	KERC	KERC has furnished a road map to CEA for reduction in T&D losses. ESCOM have been directed to segregate Technical & Commercial losses suitably justified by relevant studies.			
12.	KSERC	Implemented in those parts where APDRP is implemented.			
13.	MPERC	<p>Time bound program issued. The State Govt. has notified milestones for distribution losses for three Discoms of the State for the period from 2006-07 to 2010-11, as given below:</p> <p>Loss Targets (in %)</p>			

		Year	Discom East	Discom Central	Discom West			
		2006-07	34.5	43	30.0			
		2007-08	32.5	40	28.5			
		2008-09	29.5	37	27.0			
		2009-10	26.5	34	25.5			
		2010-11	23.5	31	24.0			
14.	MERC	Targeted loss reduction levels for FY 2007-08:						
		Utilities	Current level of Distribution loss during FY 2006-07	Targeted % loss reduction Trajectory during FY 2007-08	Target Distribution loss during FY 2007-08			
		MSEDCL	31.70 %	4.00	27.70 %			
		REL	12.00 %	0.50	11.50 %			
		BEST	11.50 %	0.50	11.00 %			
15.	MsERC	Description	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
		T & D Loss %	33.95	28.41	24.42	20.05	15.69	11.32
		AT & C Loss %	36.80	35.62	31.29	26.68	22.05	15.11
16.	OERC	The commission had conducted sample energy audit initially on five feeders through an independent group of professionals which was followed up for another 20 nos. of 11kV feeders with mixed loads. The Commission has fixed the following targets for AT&C loss for different utilities for FY 2008-09.						
		Utility	Target AT&C loss for FY 2008-09	Actuals for 2006-07	Actuals for 2007-08 (Upto 9/07)			
		NESCO	29	40.9 %	35.7 %			
		WESCO	28	40.0 %	40.3 %			
		SOUTHCO	34.6	47.4 %	51.4 %			
		CESU	32.84	47.1 %	46.7 %			
		All Orissa	30.36	43.3 %	42.4 %			
17.	PSERC	The T&D loss reduction trajectory for utility was fixed for a period of four years upto 2007-08. The same is due for a review in Tariff Order for 2008-09.						
18.	RERC	SERC has assigned the targets for loss reduction by the Distribution Licensee for the year 2007-08 & 2008-09 in its order issued for MYT.						
19.	TNERC	SERC is discussing with the Board and is in the process of setting targets for reduction of AT&C losses.						
20.	TERC	The licensee has able to quantify HT input energy by installing meter. The report of the energy auditor appointed by the licensee is yet to be received. The programme for reduction of ATC loss from the present level of about 35% may come to 25% overall by 2011-12. In urban area, the loss would figure better than that of rural and hilly areas.						
21.	UERC	Trajectory for loss reduction fixed by the Commission in T.O. dt. 08.09.2003 to reduce losses by 4% each year to arrive at a distribution loss level of 24.32% by 2007-08. For 2008-09, the Commission						

		considered a loss reduction target of 2%. For Energy audit exercise, the Commission has given direction to the licensee.																																																															
22.	UPERC	In consultation with Distribution Licensee, the Commission had fixed AT&C trajectory for six years in the year 2000-01. In the current tariff order for 2006-07, the loss levels that should have been achieved as per that trajectory have been allowed. Accordingly AT&C loss of 27.4% has been allowed by the Commission.																																																															
23.	WBERC	Time bound program on AT&C losses: <table border="1"> <thead> <tr> <th colspan="9">Norms of Distribution loss in % for Distribution Licensee</th> </tr> <tr> <th>Discoms</th> <th>2008-09</th> <th>2009-10</th> <th>2010-11</th> <th>2011-12</th> <th>2012-13</th> <th>2013-14</th> <th>2014-15</th> <th>2015-16</th> </tr> </thead> <tbody> <tr> <td>WBSEDCL</td> <td>18.75</td> <td>18.25</td> <td>17.75</td> <td>17.50</td> <td>17.25</td> <td>17.00</td> <td>16.75</td> <td>16.50</td> </tr> <tr> <td>CESC LTD.</td> <td>15.11</td> <td>14.90</td> <td>14.75</td> <td>14.60</td> <td>14.25</td> <td>14.30</td> <td>14.15</td> <td>14.00</td> </tr> <tr> <td>DPL</td> <td>6.10</td> <td>5.90</td> <td>5.70</td> <td>5.50</td> <td>5.30</td> <td>5.20</td> <td>5.10</td> <td>5.00</td> </tr> <tr> <td>DPSC LTD.</td> <td>5.54</td> <td>5.40</td> <td>5.25</td> <td>5.10</td> <td>4.95</td> <td>4.90</td> <td>4.65</td> <td>4.50</td> </tr> <tr> <td>DVC</td> <td>2.78</td> <td>2.60</td> <td>2.50</td> <td>2.40</td> <td>2.30</td> <td>2.20</td> <td>2.10</td> <td>2.00</td> </tr> </tbody> </table>	Norms of Distribution loss in % for Distribution Licensee									Discoms	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	WBSEDCL	18.75	18.25	17.75	17.50	17.25	17.00	16.75	16.50	CESC LTD.	15.11	14.90	14.75	14.60	14.25	14.30	14.15	14.00	DPL	6.10	5.90	5.70	5.50	5.30	5.20	5.10	5.00	DPSC LTD.	5.54	5.40	5.25	5.10	4.95	4.90	4.65	4.50	DVC	2.78	2.60	2.50	2.40	2.30	2.20	2.10	2.00
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5. Metering Plans

Provision in NEP:

5.4.9 The Act requires all consumers to be metered within two years. The SERCs may obtain from the Distribution Licensees their metering plans, approve these, and monitor the same. The SERCs should encourage use of pre-paid meters. In the first instance, TOD meters for large consumers with a minimum load of one MVA are also to be encouraged. The SERCs should also put in place independent third-party meter testing arrangements.

S. No	SERC	Metering Plan
1.	APERC	Issued a proceeding under section 55 of the Electricity Act 2003, extending the time limit to fix correct meters for all unmetered agricultural services up to 31-03-2008, after which the Discoms shall not supply power to any consumer except through installation of a correct meter.
2.	AERC	(1) TOD meters placed for HT categories such as Tea, Coffee, Rubber, Oil & Coal and industry. Third party arrangement for meter testing done at E.T.D.C (GoI org.). (2) Action taken by utilities to convert all electromechanical meters to static meters. All new connections are released through static meters.
3.	BERC	Directive for cent percent metering has been given to BSEB in Tariff Order of 2006-07. BSEB has been directed to provide no new connection without meter.
4.	CSERC	Target date of 100% meterisation has been extended up to March, 2009. No new connection without meter. Commission is the process of putting in place a third party meter testing arrangement.
5.	DERC	100% meterization has been achieved at 11 KV feeders at all Discoms & for other consumers three Discoms viz. BRPL, BYPL and NDPL has achieved 98.23%, 99.35%, and 97.63%

		meterization.
6.	GERC	All categories metered. For metering of all Agricultural consumers time limit extended up to Dec '07. TOD metering for HT with load above 500kVA, exclusive night use tariff for HT with load above 100kVA already exists. In agriculture sector, 30% (approx.) connections are metered. The Commission has extended the date for 100% metering upto 31/12/2007 and the matter is under consideration of the Commission.
7.	HERC	HERC has made it mandatory for the Discoms to release only metered supply connections. The Discoms are in the process of putting meters on the un-metered agriculture pump-set supply.
8.	HPERC	TOD meters installed for all categories of consumers having connected load above 20KW, except domestic consumer. Electronic meters being installed for all new domestic consumer and old electro-mechanised meters being replaced in phased manner.
9.	JSERC	JSEB has no metering plans. Commission is trying to put in place a third party meter testing arrangements.
10.	J&KSERC	The commission has directed the J&K state Utilities to furnish details of metering plan and to install TOD meters.
11.	KERC	Discoms have installed meters for all the installations except IP sets and BJ/KJ. Specific metering plan is yet to be furnished by Discoms
12.	KSERC	TOD meters made compulsory for all HT and EHT consumers across the State.
13.	MPERC	MPERC had extended the time period for 100% meterization to all unmetered consumers vide Gazette notification dated 18/10/2005. The time limit to achieve 100% meterization for domestic and agricultural consumers had been fixed by the Commission by March 2006 and September 2007, respectively. The licensees could not complete the 100% meterization program and have again filed a petition with MPERC seeking further extension of the time limit to achieve 100% meterization in domestic and agricultural category by March 2010 and March 2011, respectively. MPERC has sought the reasons for non achievement of meterization target and a firm metering plan vis-à-vis meter procurement program from the licensee before further notification. MPERC encourages use of pre-paid meters and spot billing. TOD meters have been installed for all HT consumers. However TOD tariff is not applied to railways, coal mines, irrigations, public water works and bulk supply exemptees till FY 07-08. MPERC has authorized M/s. CPRI, Bhopal and M/s. ERDA, Vadodara as third party independent meter testing agencies.
14.	MERC	SERC has directed MSEDCL to comply with the statutory

		provisions as well as the National Tariff Policy in respect of individual consumer metering. The Commission also directed MSEDCL to install appropriate tri-vector meters capable of recording maximum demand for LT industrial consumers.			
15.	MsERC	Sl. No.	Particulars	33 KV	11 KV
		1.	Total no. of unmetered HT Feeders as on 01.04.07	8	41
		2.	Program of Meterisation of Feeders during FY 07-08	4	41
		3.	Progress up to 31.12.07	0	8
		4.	Program of Meterisation of Feeders during FY 08-09	$\frac{8}{7^*}$ 25	33
		*-17 new 33 KV feeders were commissioned without meters during the year 2007-08.			
16.	OERC	The provisions have been incorporated in OERC Distribution Code, 2004 in line with CEA (Installation & Operation of Meters) Regulation, 2006. The progress is monitored from Grid substations upto consumer end. Status being reviewed in every two months.			
17.	PSERC	Utility has installed electronic meters on all industrial consumers. Replacement of electro mechanical meters with electronic meters in respect of NRS and DS consumers is in progress. Metering of AP consumers is yet to be undertaken.			
18.	RERC	All metered except agriculture consumers, time extended up to 09-06-08			
19.	TNERC	Time extended to 31-03-09 for installation of meter in agricultural & hut services by the Commission. Submission of metering plan extended up to 31-12-07. TOD meters installed in all HT consumers. With regards to DT metering, out of the total 1.71 Lakhs Nos. of DTs (as on 30.11.06), 89738 Nos. have been metered as on 30.11.07. The metering of balance DTs is under process.			
20.	TERC	Completion of energy metering of consumer premises in progress. Significant computerized billing achieved in the urban sector and in most of the rural areas.			
21.	URC	Directions issued for 100% metering. Penalty imposed for non compliance. TOD implemented on a large scale.			
22.	UPERC	All 11 KV Feeders have been metered, TOD meters for Large and Heavy Power Consumers (HV-2) have been installed. Directions have been issued for 100% metering; Discoms are in the process of installing electronic meters on all consumers but have not submitted any specific metering plan for metering of unmetered consumers.			
23.	WBERC	Completed			

6. Implementation of HVDS, SCADA & Data-Base Management

Provision in NEP:

5.4.11 High Voltage Distribution System is an effective method for reduction of technical losses, prevention of theft, improved voltage profile and better consumer service. It should be promoted to reduce LT/HT ratio keeping in view the techno economic considerations.

5.4.12 SCADA and data management systems are useful for efficient working of Distribution Systems. A time bound programme for implementation of SCADA and data management system should be obtained from Distribution Licensees and approved by the SERCs keeping in view the techno economic considerations. Efforts should be made to install substation automation equipment in a phased manner.

<u>S. No</u>	<u>SERC</u>	<u>HVDS</u>	<u>SCADA & Data Base Management</u>
1.	APERC	HVDS Phase-1 and Phase-2 works were already completed. The Discoms are now took HVDS Phase-3 works. Under this scheme, all agricultural service lines are being converted to HVDS, so that both technical and commercial losses would come down.	All Discoms are implementing SAP. GIS/GPS works are under progress. Computerization of Discom offices is under progress in phased manner.
2.	AERC	HT tariff rates are separately notified & kept lower to encourage the consumers to opt for supply at a higher voltage with effect from 2005-06. As a result, HT consumers increased from 6,641 in 2006-07 to 10,704 in 2007-08.	SCADA implemented in phases.
3.	BERC	HVDS is being provided under rural electrification.	SCADA & Database Management work is under progress.
4.	CSERC	Board has started converting LT system to HVDS. Scheme prepared for two areas for availing REC funds.	SCADA implemented. Sub-station automation in process
5.	DERC	HVDS-Implemented in the past but not favoured now. Low Tension Aerial Bunched Cables (LT ABC) introduced in a big way due to cost effectiveness.	SCADA –Implemented in the three Discoms.
6.	GERC	N/A	SCADA work is almost completed through consultancy assignment to PGCIL.
7.	HERC	HVDS is being implemented by	SCADA & Database Management

		the Discoms.	for all intra- state generating stations and limited no. of 220KV/132KV Grid sub-stations operational at SLDC Panipat (Sewah). SCADA and database management scheme for sub-transmission system envisaged to be part of Area LDC established by the Discoms for which necessary directions have been issued by the Commission.
8.	HPERC	<p>Directions issued to board on HVDS, SCADA is limited to data acquisition as done by SLDC. DBM to take place in MYT which has been initiated in 2007.</p> <p>(i) As a first step, the HPSEB has completed the study on SCADA on the unnamed substation at Nagwain (Kullu) and submitted the report to the Commission. The report being examined by the Commission.</p> <p>(ii) The IT pilot project in Shimla operation Circle is expected to be completed by June, 2008. The same would be replicated to majority of the other operation circle.</p>	
9.	JSERC	Not yet decided	Not yet decided
10.	J&KSERC	To be taken care in the 1st Tariff Order.	Commission has already directed licensees to furnish details upon the matter. Results awaited
11.	KERC	KERC has been monitoring LT/HT ratio.	KPTCL has taken up the upgradation of SCADA under integrated SCADA scheme. For data base management, ESCOM's have taken up computerization for implementation of MIS and the Commission is monitoring the status.
12.	KSERC	Being implemented	SCADA implemented in one city. Data acquisition from sub stations implemented in areas covered by APDRP
13.	MPERC	As per the directives given by MPERC in respect of reducing LT/ HT ratio and loss level through HVDS, all the three distribution companies have included several HVDS schemes in their investment plan filed with the Commission and now approved by the Commission.	The Commission has reviewed the status of implementation of SCADA earlier and found that it was not feasible to implement SCADA in the distribution system in the present scenario. However, the licensees have been directed to review the matter and prepare a plan for implementation of

		Some pilot projects of HVDS in each Discoms have been completed and encouraging results have been observed after execution of the scheme. The Commission has also seen a few of them during the Commission's visit to the areas of all three distribution licensees.	SCADA. As far as data base management of the Discom is concerned, it has been given to understand that the work in this direction is going on with the help of their consultants KPMG under DFID phase II programme.
14.	MERC	MSEDCL has proposed the HVDS/ Infrastructure scheme for 119 divisions in rural areas of Maharashtra, which have been approved by the Commission.	Information through SCADA is available for all generating stations and grid substations of MSETCL at MSLDC. In respect of distribution, REL has implemented SCADA under disaster management scheme, which covers 50 receiving stations. As regards data base management, the Commission has initiated process of implementation Regulatory Information Management Schemes (RIMS).
15.	OERC	The Commission has directed in the ARR & RST order for 2008-09 that "In case the electrification (rural) is done by extending the grid supply then the extension should be on HVDS by extending the HT lines up to the load centre of the village."	Commission in its order dated 13.03.2008 observed that all agencies connected to or planning to connect to STS shall provide Remote Terminal Units (RTUs) and other communication equipments for sending real time data. They shall make available output of their respective operational meters to SCADA interface equipment installed by the STU/Transmission Licensee.
16.	PSERC	REC has sanctioned DPRs worth Rs. 1000 crores (out of Rs.2387 crores) for HVDS for AP connections in the month of sept.,2006	Real time SCADA system along with Communication system already in operation in the utility is the state of art system and support all the functional features as available in SCADA system of North Regional Control Centre at New Delhi. SCADA system meets with requirements of NEP guidelines. Implementation of SCADA for distribution with Ludhiana city as a pilot project is

			being taken up/completed by the utility during 2008-09 and 2009-10.												
17.	RERC	SERC in its regulations for investment approval has prescribed the appointment of plan expenditure for related schemes under which the works are taken up by the Discoms for technological upgradation as under :													
		<table border="1"> <thead> <tr> <th>S. No.</th> <th>Catagory</th> <th>Ceiling limit of outlay</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Load dispatch metering</td> <td>5%</td> </tr> <tr> <td>2</td> <td>Consumer servicing</td> <td>1%</td> </tr> <tr> <td>3</td> <td>Institutional strengthening</td> <td>1%</td> </tr> </tbody> </table>	S. No.	Catagory	Ceiling limit of outlay	1	Load dispatch metering	5%	2	Consumer servicing	1%	3	Institutional strengthening	1%	
S. No.	Catagory	Ceiling limit of outlay													
1	Load dispatch metering	5%													
2	Consumer servicing	1%													
3	Institutional strengthening	1%													
		The Discoms have also undertaken feeder renovation programme with rural focus, urban focus and industrial focus, which include HVDS, Metering etc.													
18.	TNERC	Licensee has been directed to improve HT/LT ratio 1:1.5 in the distribution code	Provision of SCADA and communication facility to all substations is likely to be completed by June 2008 by TNEB.												
19.	TERC	Schemes under preparation by the licensee and yet to be furnished. This would take some time for this State due to limitation of size and consumers spread uneven.													
20.	UERC	The commission has directed all loads above 75kW on HT.	Centralised commercial Database MIS has been implemented at corporate office of the distribution licensee and integration to divisional MIS is under progress. The DISCOM has taken up the project for AMR and data logging for high value consumers in accordance with the directions of the Commission. Consumer indexing and GIS mapping has been completed in few circles and is under progress in other circles.												
21.	UPERC	HT tariff rates are fixed so as to encourage the consumers to opt for supply at a higher voltage. Licensees have informed about adoption of HVDS for rural network.	SCADA and Database Management are available at 400 KV and 220 KV Transmission System.												
22.	WBERC	In new extension of network HVDS concept is being in practice. For old network upgradation to HVDS is taking place as where it is felt necessary.	Action not yet started												

7. Norms for Standard of Performance

Provision in NEP:

5.13.1 Appropriate Commission should regulate utilities based on pre-determined indices on quality of power supply. Parameters should include, amongst others, frequency and duration of interruption, voltage parameters, harmonics, transformer failure rates, waiting time for restoration of supply, percentage defective meters and waiting list of new connections. The Appropriate Commissions would specify expected standards of performance.

<u>S. No.</u>	<u>SERC</u>	<u>SoP – Date of Notification</u>	<u>Summary</u>
1.	APERC	2004	Notified and amended in 2005
2.	AERC	Feb 4, 2005	Regulation notified and is effective
3.	BERC	Jan 22 nd , 2007	Notified
4.	CSERC	July 14, 2006	SoP has already been notified along with Supply Code. Penalties for delay in consumer services have also notified.
5.	DERC	April, 2007	Notified
6.	GERC	March 31, 2005	Notified with provision for penalties in case of non-performance of distribution licensee.
7.	HERC	July 16 th , 2004	Notified
8.	HPERC	Nov 3 rd , 2005	Notified
9.	JSERC	Aug 12 th , 2005	Notified
10.	J&KSERC	June 19, 2006	Notified
11.	KERC	June 10, 2004	Regulations issued.
12.	KSERC	May 9, 2006	Notified. Date of implementation extended up to 30 th April 2008
13.	MPERC	July 13, 2004 and revised on Sep. 26 th , 2005	Payment of compensation for delay in consumer services also notified in the regulation. Quarterly report is being submitted by Discoms on Sop. SERC also spreading awareness in consumers about SoP.
14.	MERC	Jan 20, 2005	Notified
15.	MsERC	December, 2006	Notified and Payment of compensation for delay in consumer services also notified in the regulation.
16.	OERC	May 28 th , 2004	The commission has approved a Business plan with incentive for improved AT&C loss.
17.	PSERC	June 29 th , 2007	Notified
18.	RERC	Notified	For transmission & Distribution
19.	TNERC	Sept 01, 2004	Order for the payment of compensation incase the Distribution Licensee fails to meet the stipulated standards has already been issued.

20.	TERC	Notified	Regulation issued and performance being monitored. Response from State Government and utility yet to come at desired level.
21.	UERC	April 17, 2007	Payment of compensation and penalties for delay in consumer services also notified in the regulation. Quarterly report is being submitted by the distribution licensee on SoP. SERC also spreading awareness in consumers about SoP.
22.	UPERC	Feb 18, 2005	SoP have been included in the Electricity Supply Code and notified. Compensation to consumers for non-adherence to some of the standards has been made effective from the date of notification of the Code. For the remaining Standards, penalties shall be made effective in phases.
23.	WBERC	Oct 18 th , 2005	SoP shall soon be amended for further up gradation. Draft publication is already done and comments and suggestions already received.

8. Setting up of CGR Forum & Ombudsman

Provision in NEP:

5.13.3 It is advised that all State Commissions should formulate the guidelines regarding setting up of grievance redressal forum by the licensees as also the regulations regarding the Ombudsman and also appoint/designate the Ombudsman within six months.

<u>S. No.</u>	<u>SERC</u>	<u>CGR Regulation</u>	<u>Summary</u>
1.	APERC	2004	Notified
2.	AERC	Dec22 nd , 2003	CGR forum in 3 Discoms, Ombudsman appointed.
3.	BERC	May20 th , 2006	One CGRF is functioning since August 2006 for entire licensed area of BSEB. Ombudsman not yet appointed.
4.	CSERC	Feb15, 2005	CGR established in 3 centers. Ombudsman appointed, and both are functional.
5.	DERC	Nov, 2003	In terms of the Regulations, the distribution company-wise CGRFs were set up in August, 2004. The Appellate Institution of the Electricity Ombudsman was also set up in August, 2004. The Institutions of CGRFs and the Electricity Ombudsman have completed more than 3½ years of existence.
6.	GERC	March 31, 2005	CGRFs in 8 centers. Ahmedabad and Surat Licence areas have two CGRFs respectively. UGVCL,

			DGVCL and MGVCL have each one CGRF in their licence area and PGVCL has three CGRFs due to large licence area. GERC has appointed Secretary as Ombudsman with effect from August 5, 2005.
7.	HERC	April 12 th ,2004	Discoms have set up CGR forum both are functional. Ombudsman is designated.
8.	HPERC	Oct 23 rd ,2003	HPSEB, the only licensee has constituted CGR forum during June, 2005. Ombudsman appointed during December 2004.
9.	JSERC	Notified	Already Completed
10.	J&KSERC	No provision	No provision in J&K Act-2000
11.	KERC	June 10, 2004	CGR constituted in all five discoms. Commission has appointed Ombudsman
12.	KSERC	October 6 th ,2005	CGRF and Ombudsman in place and actively issuing orders on consumer grievances.
13.	MPERC	April 12 th ,2004	One Forum each for three Discoms is functional. Ombudsman is also functional. In accordance with the notification of Ministry of Power issued on 26.10.2006, an amendment to the Regulation for “Establishment of Forum and Ombudsman for redressal of grievances of the consumers” has been notified.
14.	MERC	Notified in 2006	One CGRF each for TPC, REL, BEST and MPECS has been constituted. In case of MSEDCL, for Eleven zones of MSEDCL, a total of 11 CGRF’s have been constituted. One Ombudsman has been appointed for the State.
15.	MsERC	February 22 nd , 2007	The Procedure for appointment, tenure and functions of Ombudsman have also been spelt out in these Regulations and Ombudsman has assumed office in May, 2007 .
16.	OERC	Notified 17.05.2004	Commission has established two Ombudsmen & 12 grievance redressal forums for the state.
17.	PSERC	Notified	CGRF and Ombudsman are functional
18.	RERC	Notified	CGR formed for the licensees. Ombudsman formed for each of the three licensees.
19.	TNERC	Notified	CGR & Ombudsman regulations specified and functioning
20.	TERC	Notified	CGR formed and Secretary of the Commission appointed as Ombudsman.
21.	UERC	Notified	Two CGR and one Ombudsman functional.
22.	UPERC	December 9, 2003	Offices of Fora are functional. Ombudsman has been appointed and is functional. State Govt. has been requested to expedite sanction of staff for the office of Ombudsman. On the basis of feedback

			from consumers and stakeholders the Commission has modified these regulations have also been notified. Action to operationalize the Forum as per new regulations is in hand.
23.	WBERC	Notified	CGR and Ombudsman established. Commission provides in its guidelines at least one Grievance Redressal Officer at each sub-district, district, region, zone, head quarter in each organization of the licensee.

9. Capacity Building for Consumer Groups

Provision in NEP:

5.13.4 The Central Government, the State Governments and Electricity Regulatory Commissions should facilitate capacity building of consumer groups and their effective representation before the Regulatory Commissions. This will enhance the efficacy of regulatory process.

S. No.	SERC	Summary
1.	AERC	12 Consumer groups have been empanelled under Consumer Advocacy Cell. A quarterly info bulletin "The Electricity Consumer Grid" published.
2.	BERC	Action yet to be taken. However, comments/suggestions of consumers/ stake holders and general public are invited on matter relating to tariff determination and finalization of regulations.
3.	CSERC	Consumer Advocacy Cell has been set-up in the Commission. A two day seminar organized for NGO's on regulatory regime. A training programme to train members of NGO's has been conducted in 2007-08 and is being conducted during 08-09.
4.	DERC	Each year with the admission of the Annual Revenue Requirements (ARR) petitions of the Discoms, the Commission gives wide publicity among stakeholders and nominates some of the officers of the Commission for interaction with the stakeholders for enabling them to comprehend the content/import of the ARR petitions. This helps in the stakeholders contributing meaningfully while offering their comments against the ARR petitions and also during the subsequent public hearings. On the initiative of the Commission, the Govt. of NCT of Delhi have recently notified the Electricity Consumers Advocacy Committee(ECAC), rendering a platform to the consumers for protecting their interests before DERC, the Appellate Tribunal for Electricity and other Courts of the land
5.	GERC	Representatives of various consumer groups are made member of State Advisory Committee as well as Supply code Review panel.
6.	HERC	HERC, as provided in section 94(3) may consider to authorize a person to represent the interest of the consumers in the proceedings before it.

7.	HPERC	Consumer representative appointed under the Act to protect consumer interest.
8.	JSERC	This is an on going process and the commission is carrying out required activities.
9.	J&KSERC	The Commission has taken note of this issue.
10.	KERC	Capacity building for consumer groups is being done through Office of Consumer Advocacy by conducting workshops, training, Seminars and issue of quarterly magazines/leaflets.
11.	KSERC	Classes for capacity building conducted on subjects like Safety, Supply Code and ARR & ERC. Being done
12.	MPERC	About 120 NGOs have been registered to participate in the reform process and they are also involved in the process of determination of ARR. These NGOs are further requested to spread awareness about rights and responsibilities amongst the consumers. Also an NGOs' workshop has been organized to discuss various consumer related issues.
13.	MERC	<ol style="list-style-type: none"> 1. The SERC has appointed four consumer representative groups as authorized consumer representatives under section 94(3) of the Electricity Act, 2003. 2. Consumer Advocacy Cell is established in MERC office and started functioning from Feb'08
14.	MsERC	This is an ongoing exercise. Two consumer awareness programmes have been organized so far. One more is planned for this month.
15.	OERC	Commission has decided to float some consumer advocacy papers. OERC has played a predominant role by making GRFs and Ombudsmen operational and by creating consumers awareness through publication of Frequently Asked Questions (FAQs)/ What should you do? Both in Oriya and English etc. OERC also publishing "What should you do?" in leading dailies on alternative Sundays for the benefits of the Consumers.
16.	PSERC	Consumer advocacy cell set up. Guide containing information regarding consumer complaint handling procedure and other consumer related issues for guidance of consumers prepared and distribution among consumers/consumers groups. Some representatives of consumer groups taken as members of the State Advisory committee of the Commission.
17.	RERC	SERC has kept a provision in the budget estimates towards consumer education/advocacy. The state govt. has also been informed of the same.
18.	TNERC	The commission has appointed a Consumer Advocacy Officer. This officer is coordinating with the consumer group. Consumer centric periodical, Newsletters, etc are sent free of cost to consumer organization, groups and association. "Consumer Query Platform" software has been hosted by the Commissions website facilitating consumers queries. Replies and clarifications are put

		up within 10 days.
19.	TERC	Awareness campaign – open public discussion being held.
20.	UERC	The Commission has chosen members of Advisory Committee, which meets at least once in quarter, from different fields representing interest of various consumer groups such as domestic, commercial, industrial, agriculture, academic etc. From time to time Commission has been publishing notices in newspapers highlighting the important orders, Regulations issued/to be issued by it seeking comments from all the stakeholders. Further, Commission has been holding various meetings/Jan-Gosthis across the States wherein consumers are told of their rights and duties under the Act and the Regulations.
21.	UPERC	Commission has initiated creation of a Cell for Consumer Education and Advocacy (CCEA) on public-private partnership basis. The CCEA is functioning as per the MoU signed with VOICE, New Delhi. It was formally launched on 14 th November, 2007.
22.	WBERC	Already consumer awareness building is undertaken through different communication to enhance capacity of consumers.

**STATUS REGARDING IMPLEMENTATION OF
TARIFF POLICY (TP) - 2007-08**

1. Return on Equity

Provision in Tariff Policy :

5.3 (a) Return on Investment

.....
.....
The Central Commission would notify, from time to time, the rate of return on equity for generation and transmission projects keeping in view the assessment of overall risk and the prevalent cost of capital which shall be followed by the SERCs also. The rate of return notified by CERC for transmission may be adopted by the State Electricity Regulatory Commissions (SERCs) for distribution with appropriate modification taking into view the higher risks involved. For uniform approach in this matter, it would be desirable to arrive at a consensus through the Forum of Regulators.

S. No.	SERC	RoE %	Summary
1.	APERC	14	The Commission has adopted ROCE instead of ROE in Tariff Order 2006-07.
2.	AERC	14	The Commission approved a ROE of 3% in the TO 2006-07. In TO 2007-08, 14% ROE for AEGCL, 14% ROE for KLHEP & 7% for LTPS and NTPS stations of APGCL and 7% ROE for LAEDCL, CAEDCL & UAEDCL were allowed.
3.	BERC	14	The Commission has provided ROE @ 14% for Transmission and Distribution Licensee in the relevant regulations.
4.	CSERC	14	Notified in T&C of Tariff on 01-03-06(RoE as per CERC)
5.	DERC	14	With the notification of the DERC MYT Regulations for the Control Period 2007-11, the Discoms are entitled to Return on capital employed. Equity is allowed upto a maximum of 30% and RoE is prescribed at 14%.
6.	GERC	14	In the Tariff Orders for 2007-08 dated 31/03/07 the Commission allowed ROE @ 7% for Distribution Companies, @10% for Transmission Company and @ 13% for Generation Company. For Torrent Power Ltd this was allowed @ 14%.
7.	HERC	N/A	No claims by Discoms, the Commission is continuing with Return on Capital Base as the Capital Base is negative, no return on capital base has been allowed.
8.	HPERC	16	The Commission has approved RoE to the generation, Transmission and Distribution businesses at the rate of

			14%,14% and 16% respectively, in accordance with its Multi Year Tariff Regulations, published in October, 2007.
9.	JSERC	14	The commission has decided on ROE @ 14%
10.	J&KSERC	14	The commission has decided to give ROE @ 14%
11.	KERC	14	The Commission has specified RoE of 14% for the Licensees in the State.
12.	KSERC	14	Commission has decided on RoE 14% and order issued.
13.	MPERC	14	14% for Transmission, Generation and Retail supply Tariff.
14.	MERC	16	Distribution Licensee is allowed a post-tax return at the rate of 16 per cent per annum, in Indian Rupee terms, on the amount of approved equity capital Transmission Licensee is allowed a post-tax return at the rate of 14 per cent per annum, in Indian Rupee terms, on the amount of approved equity capital Generation Company is allowed a post-tax return at the rate of 14 per cent per annum, in Indian Rupee terms, on the amount of approved equity capital.
15.	MsERC	14	The MsERC has used 14% return on equity.
16.	OERC	16	ROE @ 16%. ROE linked to RBI bank rate plus a margin for investment risk in power sector.
17.	PSERC	14	RoE is allowed by the Commission as per CERC norms.
18.	RERC	14	RoE prescribed as per rate specified by CERC. Presently, state owned companies are not claiming any RoE except the new power plants.
19.	TNERC	14	RoE notified in the T&C of tariff. The commission is considering to adopt ROCE
20.	TERC	N/A	As the transfer scheme is under finalization, the exact percentage of return on equity not yet pegged. However, it is likely to be between 14-16%.
21.	UERC	14	RoE notified on 14.05.2004 for generating companies, 15.06.2004 for distribution licensee and 25.08.2004 for transmission licensee with a Debt:Equity ratio of 70:30. In certain cases where equity is less than 30% the said actual equity is considered for tariff determination.
22.	UPERC	16	RoE for State Generators and Transmission licensee is 14% and 16% for Discoms.
23.	WBERC	15	For Distribution Licensee ROE is 15%. For other area of electricity segment, it is 14% except for hydro where there is a scope of additional ROE upto 4% more than what has been provided for in the behalf by the CERC depending on certain criteria.

2. Depreciation Rates

Provision in Tariff Policy :

5.3 (c) Depreciation

The Central Commission may notify the rates of depreciation in respect of generation and transmission assets. The depreciation rates so notified would also be applicable for distribution with appropriate modification as may be evolved by the Forum of Regulators.

<u>S. No.</u>	<u>SERC</u>	<u>CERC Rates</u>	<u>Suggestions for separate Depreciation Rates</u>
1.	APERC	FOIR rates adopted	Adopted Ministry of Power depreciation rates.
2.	AERC	Adopted	Adopted CERC depreciation rates. Adheres to AAD arrangement notified by CERC.
3.	BERC	Adopted	CERC rates adopted in tariff order 2006-07.
4.	CSERC	Adopted	CERC rates adopted.
5.	DERC		Depreciation shall be calculated for each year of the Control Period (2007-11) on the amount of original cost of the fixed assets considered for calculation of Regulated Rate Base (RRB) for the corresponding year. Depreciation for each year of the Control Period shall be calculated annually based on straight line method over the useful life of the asset. The base value for the purpose of depreciation shall be the original cost of the asset. The residual value of assets shall be considered as 10% and the depreciation shall be allowed to a maximum of 90% of the original cost of the asset.
6.	GERC	Adopted	CERC depreciation rates are adopted.
7.	HERC	Adopted	To the transmission licensee and generation company depreciation including Advance Against Depreciation is being allowed as per the depreciation rates and other terms and conditions as notified by CERC.
8.	HPERC	Not Adopted Completely	In the MYT Regulations, the Commission has followed the CERC norms for calculations of depreciation. HPSEB, being bundled utility presently does not have assets-wise details but efforts are being made by the utility to complete asset register through GIS mapping. Presently, the Commission is allowing depreciation linked to Gross Fixed Assets (GFA). With the availability of the asset-wise details, the Commission will be following the CERC norms.
9.	JSERC	Adopted	CERC depreciation rates adopted.
10.	J&KSERC	Adopted	CERC depreciation rates have been adopted.

11.	KERC	Adopted	The Commission has adopted the depreciation rates as per CERC .KERC favors separate rates for distribution to be evolved but, no suggestion is given.
12.	KSERC	Adopted	Depreciation rates approved by CERC adopted for Generation, Transmission & Distribution.
13.	MPERC	FOIR rates Adopted	The commission has followed the CERC specified depreciation rates in respect to Generation and Transmission. The transmission rates are also being followed for Distribution Tariff.
14.	MERC	Adopted	Depreciation of fixed assets used in the Generation, Transmission, and Distribution Business is computed in the following manner: (a) The approved original cost of such project/ fixed assets shall be the value base for calculation of depreciation; (b) Depreciation shall be computed annually based on the straight line method with regard to the useful life of the asset at the rates specified in the Annexure to these Regulations: Provided that the residual value of the asset shall be considered at 10 per cent of the allowable capital cost and depreciation shall be allowed up to a maximum of 90 per cent of the allowable capital cost of the asset: Provided further that depreciation shall not be permitted on land and the value of land shall be excluded from the allowable capital cost for the purpose of calculation of depreciation.
15.	MsERC	Adopted	Depreciation on fixed assets has been accepted at rates prescribed by the CERC.
16.	OERC	Not Adopted	OERC has adopted a weighted average of 3.67% in RSTO 24-06-03. OERC has been directed by High Court to depreciation rates calculated for assets in accordance with the state Governments, DoE notification no. 1068/E dt. 29-01-03 & at pre-1992 norms as notified by GoI.
17.	PSERC	Not adopted	PSEB continue as an integrated Utility. Depreciation is allowed based on straight line method up to 90% of the cost of asset. The rates of depreciation allowed are as notified by Govt. of India in 1994.
18.	RERC	Adopted	CERC rates adopted.
19.	TNERC	Adopted	CERC rates adopted, but suggests separate rates for distribution assets based on different useful life period to be fixed for meter of different type in distribution network. The straight line method (SLM) is followed.

20.	TERC	N/A	As the accounts not yet completed, Commission is allowing ad-hoc depreciation for the purpose of fixing AAR. As in the State, Generation, Transmission & Distribution all are in one basket; we would follow same data that of CERC for generation, transmission & for distribution work out a percentage as being followed in other States.
21.	UERC	Adopted	CERC specified rates are adopted by the UERC
22.	UPERC	Adopted	For Distribution Licensee: Under the Terms and Conditions for Determination of Distribution Tariff Regulations, 2006, the Commission has adopted the same depreciation rates as specified by MoP vide notification No. S.No. 265(E) dated 27 th March, 1994. For Generation Licensee: The Commission has adopted CERC depreciation rates along with AAD. For Transmission Licensee: at rates specified by CERC in its Regulations.
23.	WBERC	Adopted	CERC rates adopted.

3. Implementation of Intra-state ABT

Provision in Tariff Policy :

6.2 Tariff structuring and associated issues

According to National Electricity Policy, the Availability Based Tariff (ABT) is to be introduced at State level by April 2006. This framework would be extended to generating stations (including grid connected captive plants of capacities as determined by the SERC).

<u>S. No.</u>	<u>SERC</u>	<u>Intra-state ABT</u>	<u>Summary</u>
1.	APERC	Not notified	Action is being taken to provide 0.2 class meters with ABT features and online data transfer facility at all Generating stations in the first instance.
2.	AERC	Not Notified	To be Notified, SLDC operates as per requirements of Inter State ABT. LDC yet to be established. Frequency based meters are in the process of installation in all inter-connected points of utilities.
3.	BERC	Not Notified	BSEB still continues to be vertically integrated utility handling generation, transmission and distribution of electricity. However discussion paper in intra-state ABT is under process.
4.	CSERC	Not Notified	Orders not issued reason being Board not

			restructured & no urgency.
5.	DERC	Notified	The Intra-State ABT has been implemented in the NCT of Delhi w.e.f. 1-4-2007. Rates for inter-discom transfer of Power were ordered separately.
6.	GERC	Order Issued on 11-08-06	Commission had a trial Mock run exercise. Tech up-gradation is almost complete through consultancy assignment to POWERGRID
7.	HERC	Not notified	The Commission has initiated discussion and has directed the State Transmission Utility to submit a road map for introduction of Intra-State ABT in Haryana.
8.	HPERC	Not notified	The SEB is still not unbundled. However the matter is being examined and a draft concept paper has been circulated to the utility for initiating the process.
9.	JSERC	Not Notified	A draft has been circulated calling for comments.
10.	J&KSERC	Not Notified	Technology upgrades matching facilities to that of RLDC is available but no reasons is specified on the constraints in implementing Intra-state ABT.
11.	KERC	Notified	Order for implementation of ABT issued on 26.12.2006. Proxy implementation of ABT started in January 2007.
12.	KSERC	Not Notified	As of now the State Electricity Board has not been unbundled.
13.	MPERC	Not Notified	<p>The status on various activities for implementation of Intra State ABT is given below:</p> <p>(i) <u>Providing Connectivity to Genco and Discoms</u> – The Discoms Control Centres and Generation Control Centre have been established and the basic infrastructure is provided.</p> <p>ii) <u>Training</u>: - The SLDC has structured the training programme. The Discoms and Genco Officers have been given the training w.r.t. preparation of schedule and maintaining data of energy drawal. The draft Balancing and Settlement Code (BSC) is under finalization. The training on BSC will be taken up after notification of BSC.</p> <p>(iii) <u>Procurement</u> – Procurement of ABT compliant meters is complete.</p> <p>(iv) <u>Installation</u> of ABT compliant 611 No. meters is complete.</p> <p>(v) Procurement of ABT based Energy Accounting Software:- Completed</p> <p>(vi) Customization of software will be completed</p>

			after notification of BSC .
14.	MERC	May 17, 2007	The intra-State ABT mechanism was expected to be in operation from April 1, 2008. However, due to the delay in installation of the intra-State ABT compatible meters and related software by the STU (MSETCL), the implementation of the same stands deferred. Imbalance Pool settlement The Interim Imbalance pool settlement system for settling the monthly Imbalance pool charges for Increments and decrements done to the State Power pool by the Utilities in the State is in place. The pool volume is based on monthly meter readings taken at the critical interface points and the pool value is arrived at on the basis of weighted average Marginal costs paid by the respective pool incrementors.
15.	MsERC	Not Notified	Not introduced.
16.	OERC	14-02-2008	Intra state ABT Regulations has been notified.
17.	PSERC	Not Notified	PSEB is an integrated utility. Intra State ABT would be considered after unbundling of the utility.
18.	RERC	Notified	Intra State ABT being implemented by the utilities w.e.f. 01.04.2008.
19.	TNERC	Not Notified	Draft concept paper has prepared and circulated to stake holders. TNEB not yet unbundled.
20.	TERC	Not Notified	The State has total business of electricity (generation, transmission & distribution) in one Corporate body already formed after Corporatization of Electricity Department. The Intra-state ABT has been implemented.
21.	UERC	Order Issued; on 04-01-05	Direction was issued on 04.01.2005 for completing the requirement for intra-state ABT by 01.11.2005.
22.	UPERC	Not Notified	UPPCL has submitted a proposal for allocation of source-wise generating capacity to the State govt. The Commission has accepted the allocation for implementation of ABT. First Phase of ABT shall be from 1 st December, 2007 and second from 1 st April, 2008 as per order dated 24/25 September 2007 subsequent Phase shall be decided on a petition to be filed by STU. It has been decided to implement ABT in phases. Orders to be issued in this matter.
23.	WBERC	Notified	Already implemented with effect from 01.01.2008.

4. TOD Tariff

Provision in Tariff policy:

6.2 Tariff structuring and associated issues

.....
The Appropriate Commission may also introduce differential rates of fixed charges for peak and off peak hours for better management of load.

<u>S. No.</u>	<u>SERC</u>	<u>TOD Introduced</u>	<u>Summary</u>
1.	APERC	No	Not yet introduced.
2.	AERC	Yes	Introduced TOD tariff for Industries (HT, HT-I & HT-II), Tea, Coffee, Rubber, Oil & Coal. TOD meters installed in all notified categories.
3.	BERC	No	Introduction of TOD will be considered in next year Tariff Order.
4.	CSERC	Yes	ToD compulsory for all HT industries as per tariff order for 07-08.
5.	DERC	No	Pilot study for implementation on voluntary basis is being undertaken.
6.	GERC	Yes	For HT consumers having contracted load 500kVA & above. Exclusive Night use tariff for HT (contracted load 100kVA & above). Night Time consumption rebate for LT water works.
7.	HERC	No	HERC has sought data for the consumer categories having TOD meters. It is under examination of the Commission.
8.	HPERC	Yes	TOD tariff started for LS in 2001-02. Implemented for all categories except Domestic and Agriculture consumers having connected load greater than 20KW.
9.	JSERC	Yes	TOD introduced in TO 2006-07 for HT and HTSS consumers. HT consumers can avail TOD tariff under which power in off peak periods will be charged at 89.47% of normal tariff and power in peak periods will be charged at 114.47% of normal tariff. HTSS consumers can avail TOD tariff under which power in off peak periods will be charged at 90.38% of normal tariff and power in peak periods will be charged at 115.38% of normal tariffs.
10.	J&KSERC	No	Introduction of TOD tariff to be considered in the 1st issue of Tariff Order by the Commission.

11.	KERC	Yes	ToD tariff is optional for LT & HT industries and for HT water supply.																																																			
12.	KSERC	Yes	TOD Tariff made mandatory for all HT & EHT consumers. LT TOD Tariff under consideration.																																																			
13.	MPERC	Yes	(a) TOD tariff is applicable to all HT consumers except Railways, coal mines, irrigations, public water works and bulk supply exemptees till Year 07-08. (b) TOD surcharge of 15% on energy charges for four hours (06.00 PM to 10.00 PM) & rebate of 7.5% on energy charges for eight hours (10.00 PM to 06.00 AM next day) is applicable in the tariff for FY 07-08.																																																			
14.	MERC	Yes	TOD Tariff applicable to all HT consumers (excluding HT Agriculture). In LT category TOD tariff is applicable for LT- Industrial consumers. Base energy charge for various HT categories and LT category of MSEDCL for whom TOD tariff is applicable are as under: <table border="1" data-bbox="748 842 1559 1325"> <thead> <tr> <th>Category</th> <th>Base Energy Charge in Paise/kWh</th> <th>Charge in</th> </tr> </thead> <tbody> <tr> <td>H.T- I Industries</td> <td></td> <td></td> </tr> <tr> <td>Continuous</td> <td>310</td> <td></td> </tr> <tr> <td>Non-Continuous</td> <td>340</td> <td></td> </tr> <tr> <td>HT-II Seasonal Industry</td> <td>435</td> <td></td> </tr> <tr> <td>H.T.-IV Public Water Works</td> <td></td> <td></td> </tr> <tr> <td>Express Feeders</td> <td>300</td> <td></td> </tr> <tr> <td>Non Express Feeders</td> <td>320</td> <td></td> </tr> <tr> <td>L.T.-V Industrial</td> <td></td> <td></td> </tr> <tr> <td>0-20 kW (upto & including 27 HP)</td> <td>300</td> <td></td> </tr> <tr> <td>Above 20 kW (above 27 HP)</td> <td>400</td> <td></td> </tr> </tbody> </table> <p>TOD tariffs are as follows:</p> <p>TOD Tariff (In addition to Base Tariff):</p> <table border="1" data-bbox="748 1436 1520 1709"> <thead> <tr> <th>Time Slot</th> <th>Revised ToD tariff (w.r.t. base tariff) Paise/kWh</th> <th></th> </tr> </thead> <tbody> <tr> <td>2200 hrs – 0600 hrs</td> <td>-(85)</td> <td></td> </tr> <tr> <td>0600 hrs – 0900</td> <td>0</td> <td></td> </tr> <tr> <td>0900 hrs – 1200 hrs</td> <td>80</td> <td></td> </tr> <tr> <td>1200 hrs – 1800 hrs</td> <td>0</td> <td></td> </tr> <tr> <td>1800 hrs – 2200 hrs</td> <td>110</td> <td></td> </tr> </tbody> </table>	Category	Base Energy Charge in Paise/kWh	Charge in	H.T- I Industries			Continuous	310		Non-Continuous	340		HT-II Seasonal Industry	435		H.T.-IV Public Water Works			Express Feeders	300		Non Express Feeders	320		L.T.-V Industrial			0-20 kW (upto & including 27 HP)	300		Above 20 kW (above 27 HP)	400		Time Slot	Revised ToD tariff (w.r.t. base tariff) Paise/kWh		2200 hrs – 0600 hrs	-(85)		0600 hrs – 0900	0		0900 hrs – 1200 hrs	80		1200 hrs – 1800 hrs	0		1800 hrs – 2200 hrs	110	
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15.	MsERC	No	Not introduced.																																																			
16.	OERC	Yes	The Commission has accepted the principle of Time of Day Tariff since 01.04.2005 providing a rebate @ 10 paise per unit on consumption during the off-peak hours.																																																			

17.	PSERC	No	Large supply consumers pay extra charges for usage of electricity during peak hours. It is not considered feasible to allow discount for night use of electricity as there is no surplus power with the utility.
18.	RERC	No	The Commission has directed the Discoms to include the concept of TOD tariff in the next tariff petition for the consumers having contract demand of 1500 KVA or more to begin with.
19.	TNERC	Yes	<ul style="list-style-type: none"> ▪ TOD tariff introduced & meters have been installed with incentives and disincentives for peak & off-peak hour for all HT industrial consumers. ▪ 20% extra on the energy charges for the energy recorded during peak hours and the duration for peak hours shall be 6am to 9am and 6pm to 9pm. ▪ Reduction of 5% on the energy charges as incentive for off peak hour consumption ie. Consumption during 22 hrs. to 0500 hrs. (night consumption) ▪ TNEB has been directed to submit data on TOD consumption along with the subsequent tariff application for all the consumers where TOD meters have been installed.
20.	TERC	Yes	For the purpose of attracting the differential tariff rate, the general provision has been kept in the Tariff Order costing differently for the peak hours (6 hours) and off peak hours (6 hours). Industry is yet to response to this TOD tariff mechanism..
21.	UERC	Yes	TOD introduced for all industrial and non-domestic consumers having load more than 25kW.
22.	UPERC	Yes	TOD rates were first introduced for large and Heavy Power Consumers in the Tariff Order 2002-03. In the Tariff Order for FY 2006-07 the off peak TOD rebate has been increased from (-)5% to (-)7.5% whereas peak TOD rates have been lowered from 20% to 15%.
23.	WBERC	Yes	Applicable to those who are under two part tariff i.e., Industrial, Public Utilities, Commercial & Agricultural. Generation tariff is also on ToD based system.

5. Renewable Source of Energy

Provision in Tariff policy:

6.4 Non-conventional sources of energy generation including Co-generation:

(1) Pursuant to provisions of section 86(1)(e) of the Act, the Appropriate Commission shall fix a minimum percentage for purchase of energy from such sources taking into account availability of such resources in the region and its impact on retail tariffs. Such percentage for purchase of energy should be made applicable for the tariffs to be determined by the SERCs latest by April 1, 2006.

<u>S. No.</u>	<u>SERC</u>	<u>Tariff</u>	<u>Power Procured From Renewables (%)</u>																				
1.	APERC	<p>Wind- Rs 3.37/KWh with 5% simple escalation.</p> <p>Small Hydro- Rs. 2.60/KWh for the 1st year, which reduces by Rs. 0.08/KWh every year till the 10th year.</p> <p>Bagasse based Co generation- Fixed cost Rs. 1.72/KWh in 1st year reducing to Rs. 0.90 in 10th year + variable cost Rs. 1.02 in 2004-05 escalating to Rs. 1.24 in 2008-09.</p> <p>Biomass- Fixed cost Rs. 1.61/KWh in 1st year decreasing to Rs. 0.87 in 10th year. The variable cost for 2004-05 Rs. 1.27 escalating to Rs. 1.54 in 2008-09.</p>	For FY '08-09 = 5.0%																				
2.	AERC	<p>Tariff Orders for two Renewable Power Projects issued. These are,</p> <p>(1) 2.22 MW Champamati Mini Hydro Project :</p> <p>The year wise tariff for 35 years along with the levelised tariff for the project is as shown below:-</p> <table border="1"> <thead> <tr> <th><u>Year</u></th> <th><u>Tariff (Rs/unit)</u></th> <th></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>3.76</td> <td rowspan="8">Levelised Tariff Rs. 3.19</td> </tr> <tr> <td>2</td> <td>3.72</td> </tr> <tr> <td>3</td> <td>3.53</td> </tr> <tr> <td>4</td> <td>3.47</td> </tr> <tr> <td>5</td> <td>3.26</td> </tr> <tr> <td>6</td> <td>2.98</td> </tr> <tr> <td>7</td> <td>2.65</td> </tr> <tr> <td>8</td> <td>2.31</td> </tr> </tbody> </table>	<u>Year</u>	<u>Tariff (Rs/unit)</u>		1	3.76	Levelised Tariff Rs. 3.19	2	3.72	3	3.53	4	3.47	5	3.26	6	2.98	7	2.65	8	2.31	5% as per draft notification
<u>Year</u>	<u>Tariff (Rs/unit)</u>																						
1	3.76	Levelised Tariff Rs. 3.19																					
2	3.72																						
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9	2.34
10	2.36
11	2.61
12	2.64
13	2.67
14	2.7
15	2.73
16	2.9
17	2.94
18	2.98
19	3.02
20	3.07
21	3.11
22	3.16
23	3.21
24	3.26
25	3.32
26	3.37
27	3.43
28	3.49
29	3.56
30	3.62
31	3.69
32	3.76
33	3.84
34	3.92
35	4.00

(2) 10 MW Biomass Based Power Project :

The Commission calculated the tariff for a period of 10 years from the initial date of commercial operation but decided to limit the same for a period of 5 years due to uncertainty in fuel price. The tariff for 5 years are as below:-

<u>Year</u>	<u>Fixed charge (Rs/unit)</u>	<u>Energy charge (Rs/unit)</u>	<u>Total charge (Rs/unit)</u>
1	1.44	1.57	3.01
2	1.37	1.65	3.02
3	1.31	1.73	3.04
4	1.24	1.82	3.06
5	1.17	1.91	3.08

3.	BERC	No			Concept paper for determination of tariff for renewable sources is circulated for comments /suggestions.
4.	CSERC	(1) Biomass plants - Rs.2.96 to 3.24 per unit (provisions for review after 5 yrs) as per order dated 15/01/08 (2) Tariff Order issued for small hydro generating stations.			5% from for all renewable energy sources as per order dated 15/01/08
5.	DERC	No			In the recent MYT order, each Distribution licensee has been advised to achieve 1% of their total power purchase from renewable sources.
6.	GERC	Wind - Rs.3.37/unit (fixed for 20 yrs) Bagasse based Cogen plants-Rs. 3.00/unit Biomass gasification based plants- Rs. 3.08/unit Mini Hydro plants – Rs3.29/unit			For FY '06-07 = 1% & FY '07-08 = 1% For FY 08 – 09 – 2%
7.	HERC		Tariff (Rs/KWh) (For base year FY 2007-08)	Annual escalation from 2008-09	3% for 2007-08
		Wind	4.08	1.50%	
		Mini Hydel (Upto 2MW)	3.67	1.50%	
		Biomass	4	2.00%	
		Bagasse (Co-generation)	3.74	2.00%	
8.	HPERC	Small Hydro : Rs. 2.87/KWh (Levelised) for the 40 years of commercial operation			20% from SHPP.
9.	JSERC	Not determined			Not yet fixed. For use of solar water heater by commercial consumers a rebate has been provided in Tariff Order 2006-07 for JSEB.

10.	KERC	(1) Mini hydel – Rs.2.80/unit, without escalations (2) Wind – Rs.3.40/unit, without escalations (3) Biomass – Rs.2.85/unit, with 2% simple annual escalations. (4) Co-gen – Rs.2.80/unit, with 2% simple annual escalations.			As per the amended Regulation the maximum limit of 10% has been removed and only a minimum limit has been fixed for each of the Discom as follows:: BESCOM, ESCOM & CESC... 10% HESCOM, & GESCOM and Hkeri Society 7.00%.
11.	KSERC	Wind : Rs. 3.14 (Levelised) Small Hydro : Rs. 2.44 (Levelised)			Up to 5%
12.	MPERC	i) Wind: The Tariff order dated 11.06.2004 for a period of three year had already been issued. Tariff order for the control period from 21-11-2007 to 31.03.2012 was issued on 21.11.2007 ii) Bio Mass – Tariff order for the control period from 07.08.2007 to 31.03.2012 was issued on 07.08.2007			The Commission has fixed a target for each Distribution licensee at the rate of 10% of his annual consumption in his area of supply, subject to availability as the minimum purchase requirement from all non conventional sources of energy
13.	MERC	NCE Source	Variable charges (Rs./kWh)	Escalation	Target percentage for RE procurement under RPS regime for FY 2007-08 has been specified at 4% of energy input by distribution licensee, as stipulated in the Commission's Order on Renewable Purchase Specification (RPS) dated August 16, 2006 in Case 6 of 2006
		Bagasse based Cogeneration	Rs. 3.05 (Rs./kWh)	2 % per annum for 13 years	
		Wind Energy	Rs.3.50 (Rs./kWh)	Rs.0.15/unit per annum	
		Small Hydel	Rs.2.84 (Rs./kWh)	Rs.0.03 per annum for 13 years	
		Biomass	Rs. 3.04 (Rs./kWh)	2% per annum for 13 years	
14.	MsERC	Not notified			
15.	OERC	Not determined			3% of total power purchase during FY 07-08 to go up @ 0.5% per annum for each subsequent year to reach a level of 5% by FY 2011-12

16.	PSERC	<p>a) Mini/Micro Hydel Projects - Rs. 3.49 per unit (Base Year 2006-07) with five annual escalations @ 3% upto 2011-2012. Tariff rate for 2007-08 was 359 Paise/Unit.</p> <p>b) Baggasse/ Biomass Cogeneration Projects- Rs. 3.49 per unit (Base Year 2006-07) with five annual escalations @ 3% upto 2011-2012. Tariff rate for 2007-08 was 359 Paise/Unit.</p> <p>c) Biomass Power Projects - Rs. 3.49 per unit (Base Year 2006-07) with five annual escalations @ 5% upto 2011-2012. Tariff rate for 2007-08 was 366 Paise/Unit.</p> <p>d) Power Generation from Urban, Municipal and Industrial Liquid/ Solid Waste - Rs. 3.49 per unit (Base Year 2006-07) with five annual escalations @ 5% upto 2011-2012. Tariff rate for 2007-08 was 366 Paise/Unit.</p> <p>e) Power generation from Solar Energy - Rs. 7.00 per unit (Base Year 2006-07) with five annual escalations @ 5% upto 2011-2012. Tariff rate for 2007-08 was 735 Paise/Unit.</p> <p>f) Wind Power Projects- Rs. 3.49 per unit (Base Year 2006-07) with five annual escalations @ 5% upto 2011-2012. Tariff rate for 2007-08 was 366 Paise/Unit.</p>	Regulations issued.																					
17.	RERC	<p>Tariff for Wind Power: For Jaiselmer, Barmer & Jodhpur District: Levelised tariff of Rs. 3.60 at 33KV or 11 KV and 3.71/KWh at EHV for 20 years at 10.6% discount factor. For other Districts: Levelised tariff of Rs. 3.78 at 33KV or 11 KV and Rs. 3.89/KWh at EHV for 20 years at 10.6% discount factor.</p> <p>Bio-Mass: Levelised tariff of Rs.</p>	<p>Renewable Energy purchase obligation:</p> <table border="1" data-bbox="1015 1549 1385 1770"> <thead> <tr> <th>Year</th> <th>Wind</th> <th>Bio-Mass</th> </tr> </thead> <tbody> <tr> <td>2006-07</td> <td>2%</td> <td>5%</td> </tr> <tr> <td>2007-08</td> <td>4%</td> <td>6%</td> </tr> <tr> <td>2008-09</td> <td>5%</td> <td>7%</td> </tr> <tr> <td>2009-10</td> <td>6%</td> <td>7.5%</td> </tr> <tr> <td>2010-11</td> <td>6.75%</td> <td>8%</td> </tr> <tr> <td>2011-12</td> <td>7.5%</td> <td>8.5%</td> </tr> </tbody> </table>	Year	Wind	Bio-Mass	2006-07	2%	5%	2007-08	4%	6%	2008-09	5%	7%	2009-10	6%	7.5%	2010-11	6.75%	8%	2011-12	7.5%	8.5%
Year	Wind	Bio-Mass																						
2006-07	2%	5%																						
2007-08	4%	6%																						
2008-09	5%	7%																						
2009-10	6%	7.5%																						
2010-11	6.75%	8%																						
2011-12	7.5%	8.5%																						

		4.17/KWh for water cooled and Rs. 4.55/KWh for air cooled plants for 20 years at 10.6% discount factor.																																									
18.	TNERC	(1) Wind mills (commissioned and agreement executed prior to 15-05-06 but renegotiated after 15.5.2006) - Rs.2.75/unit. (2) Wind mills (commissioned and agreement executed after 15-05-06) – Rs.2.90/unit. (3) Biomass Plants – Rs.3.15/ unit (4) Bagasse based Cogen – Rs.3.15/unit	10% from Non-conventional sources																																								
19.	TERC	N/A	The new development has been expected by the State Govt. and accordingly set up Tripura Renewable Energy Development Agency (TREDA) who is initiating various proposals.																																								
20.	UERC	Up to 1MW – SHP normative tariff on pooled rate of CGS supply. 1MW-25MW – hydro, determined on cost plus based on regulations. Bagasse based cogeneration projects determined on cost plus based regulations. The Regulations for renewables are under review and are likely to be amended soon.	3.69% of total power purchase during 2007-08. Target for 2008-09 of 5%, 2009-10 of 8% and thereafter increase of 1% per annum for each subsequent year to reach a level of 10% by 2011-12. Entire 100% power from renewable sources including cogeneration projects are purchased ahead of the merit order.																																								
21.	UPERC	(a) Tariff for Biomass/Bagasse based Co-gen:	Each distribution licensee must purchase 7.5% of their total power purchase from renewable and non-renewable energy sources.																																								
		<table border="1"> <thead> <tr> <th rowspan="2">Year of Commissioning</th> <th colspan="4">Tariff Year</th> <th rowspan="2">2009-10</th> </tr> <tr> <th>2005-06</th> <th>2006-07</th> <th>2007-08</th> <th>2008-09</th> </tr> </thead> <tbody> <tr> <td>2005-06</td> <td>286</td> <td>289</td> <td>293</td> <td>297</td> <td>302</td> </tr> <tr> <td>2006-07</td> <td></td> <td>298</td> <td>302</td> <td>306</td> <td>310</td> </tr> <tr> <td>2007-08</td> <td></td> <td></td> <td>311</td> <td>315</td> <td>320</td> </tr> <tr> <td>2008-09</td> <td></td> <td></td> <td></td> <td>325</td> <td>329</td> </tr> <tr> <td>2009-10</td> <td></td> <td></td> <td></td> <td></td> <td>338</td> </tr> </tbody> </table>	Year of Commissioning	Tariff Year				2009-10	2005-06	2006-07	2007-08	2008-09	2005-06	286	289	293	297	302	2006-07		298	302	306	310	2007-08			311	315	320	2008-09				325	329	2009-10					338	
Year of Commissioning	Tariff Year				2009-10																																						
	2005-06	2006-07	2007-08	2008-09																																							
2005-06	286	289	293	297	302																																						
2006-07		298	302	306	310																																						
2007-08			311	315	320																																						
2008-09				325	329																																						
2009-10					338																																						

(b) Mini/Micro hydel and canal based hydro plants below 25 MW:

Year of operation	Year of Commissioning				
	2005-06	2006-07	2007-08	2008-09	2009-10
1st	339.27	349.45	359.63	369.81	379.98
2nd	329.09	338.96	348.83	358.70	368.58
3rd	318.97	328.53	338.10	347.67	357.24
4th	308.91	318.18	327.45	336.72	345.98
5th	298.94	307.90	316.87	325.84	334.81
6th	289.03	297.70	306.37	315.04	323.72
7th	279.21	287.58	295.96	304.33	312.71
8th	269.46	277.55	285.63	293.71	301.80
9th	259.80	267.60	275.39	283.18	290.98
10th	250.23	257.74	265.24	272.75	280.26
11th	164.08	169.00	173.92	178.84	183.76
12th	166.54	171.54	176.53	181.53	186.53
13th	169.11	174.18	179.25	184.33	189.40
14th	171.77	176.93	182.08	187.23	192.39
15th	174.55	179.78	185.02	190.26	195.49
16th	177.43	182.76	188.08	193.4	198.73
17th	180.43	185.85	191.26	196.67	202.09
18th	183.55	189.06	194.57	200.07	205.58
19th	186.80	192.40	198.01	203.61	209.22
20th	190.17	195.88	201.59	207.29	213.00

(c) For other Non conventional and renewable sources tariff would be Rs. 2.50/Unit for 2005-06 with an escalation of 4% per annum for subsequent years without compounding. Other non-conventional sources of energy shall include, inter alia, generation from wind, solar, municipal wastes, industrial wastes, including sold, semi-solid, liquid & gaseous wastes and bio-gas.

22.	WBERC	Maximum capping on tariff: (1) Biomass = Rs. 4.00/unit (2) Wind = Rs.4/unit (3) Small Hydel =Rs. 3.6/ unit (4) Co-generation = Rs. 2.55/unit (5) Solar PV = Rs. 11/unit (6) Bio-gas = Rs. 5/unit					
			Year	2008-09	2009-10	2010-11	2011-12
			WBSEB	4.8	6.8	8.3	10
			CESC Ltd.	4.0	6.0	8.0	10
			DPL	2.5	4.0	7.0	10
			DPSCLtd.	2.0	4.0	7.0	10
			DVC	2.0	4.0	7.0	10

6. Status of Determination of Open Access Surcharge

Provision in Tariff Policy:

8.5 Cross-subsidy surcharge and additional surcharge for open access

8.5.1 National Electricity Policy lays down that the amount of cross-subsidy surcharge and the additional surcharge to be levied from consumers who are permitted open access should not be so onerous that it eliminates competition which is intended to be fostered in generation and supply of power directly to the consumers through open access.

A consumer who is permitted open access will have to make payment to the generator, the transmission licensee whose transmission systems are used, distribution utility for the wheeling charges and, in addition, the cross subsidy surcharge. The computation of cross subsidy surcharge, therefore, needs to be done in a manner that while it compensates the distribution licensee, it does not constrain introduction of competition through open access. A consumer would avail of open access only if the payment of all the charges leads to a benefit to him. While the interest of distribution licensee needs to be protected it would be essential that this provision of the Act, which requires the open access to be introduced in a time-bound manner, is used to bring about competition in the larger interest of consumers.

S. No.	States		Cross-Subsidy Surcharge (Paise/Unit)	Year
1	Andhra Pradesh		yet to be decided for year 2008-09	2008-09
2	Assam	LT General Supply	6	2007-08
		Public Water Works	77	
		Bulk(Educationa l)	46	
		HT bulk Supply	38	
		HT Industries I	47	
		HT Industries II	35	
		Tea & Coffee	148	
		Oil & Coal	41	
3	Bihar	132KV EHT	170	2007-08
		33KV HT	141	
4	Chhattisgarh	132kV & above	65	

		33kV	38					
5	Delhi		Industrial	Non-Domestic	Railway			2008-09
	BRPL	Above 66KV	119.79	198.35	88.05			
		At 33/66KV	92.76	171.32	61.02			
		At 11 KV	20.93	99.49	-			
		At LT	-	12.2	-			
	BYPL	Above 66KV	107.16	198.59	-			
		At 33/66KV	78.76	170.19	-			
		At 11 KV	2.48	93.91	-			
	NDPL	Above 66KV	97.03	193.3	67.74			
		At 33/66KV	72.98	169.25	43.69			
		At 11 KV	-	87.18	-			
		At LT	-	15.17	-			
6	Gujarat		100					2007-08
7	Haryana		Yet to be decided					2008-09
8	H.P.		Nil					2007-08
9	Jharkhand	EHT(132KV)	29					
		HT(33KV)	39					
10	J&K		0					2007-08
12	Karnataka		BESCOM	MESCO M	CESC	HESCO M	GESCO M	
		EHT	93	62	52	66	86	2008-09
		HT bulk supply	78	34	20	22	67	
11	Kerala		5					2008-09
13	MP	132kV & above	94					2007-08
		33kV & above	63					
14	Maharashtra		Nil					2008-09
15	Meghalaya		Yet to be decided					
16	Orissa		determined					2008-09
17	Punjab		-					
18	Rajasthan	LIP-EHV	55.00	55.00	55.00	55.00	55.00	
		LIP-33KV	38.00	38.00	38.00	38.00	38.00	
		LIP-11KV	16.00	16.00	16.00	16.00	16.00	
		ML-132KV	44.00	44.00	44.00	44.00	44.00	
		ML-33KV	28.00	28.00	28.00	28.00	28.00	
		ML-11KV	5.00	5.00	5.00	5.00	5.00	2008-09
		NDS-132KV	147.00	147.00	147.00	147.00	147.00	
		NDS-33KV	130.00	130.00	130.00	130.00	130.00	
		NDS-11KV	108.00	108.00	108.00	108.00	108.00	
19	Tamil Nadu	Injection Voltage	Drawl Voltage	Industrial consumer	Educational Inst	Commercial Consumer		2006-07
		22KV/11KV	22KV/11K	97.17	91.71	274.87		

		V					
		33 KV	22KV/11K V	105.47	100.01	283.17	
		110 KV	22KV/11K V	108.49	103.03	286.19	
		110 KV	33 KV	116.8	111.34	294.5	
		110 KV	110 KV	119.82	114.36	297.52	
		230 KV	22KV/11K V	110.76	105.3	288.46	
		230 KV	33 KV	119.06	113.6	296.46	
		230 KV	110 KV	122.08	116.62	299.78	
		230 KV	230 KV	124.35	118.89	302.05	
20	Tripura		Yet to be decided				
21	Uttarakhand		Nil				2008-09
22	Uttar Pradesh		Nil				2008-09
23	West Bengal		CESC LTD	WBSE DCL	DPSC LTD	DPL	2007-08
			192.75	239.88	307.93	118.42	

7. Harnessing of Surplus Captive Generation

Provision in Tariff Policy:

6.3 Harnessing captive generation

Captive generation is an important means to making competitive power available. Appropriate Commission should create an enabling environment that encourages captive power plants to be connected to the grid.

Such captive plants could inject surplus power into the grid subject to the same regulation as applicable to generating companies.

.....
Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.

Review of 'FOR' recommendations.

1. There should be no penalty for reduction of contracted demand by consumer having CPP.
2. In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.
3. There should be no minimum guarantee charges.
4. Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.

1. AERC

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	Formal reduction may be allowed
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	No such charges have been included in transmission & wheeling charge.
3	There should be no minimum guarantee	Noted

	charges.	
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	Back up rate may be made compatible with alternate fuel rate.
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Notified along with TO 2007-08

2. BERC

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	As per information submitted by BSEB (deemed licensee) there is no captive power plant connected to the grid in the State.
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	-----Do-----
3	There should be no minimum guarantee charges.	-----Do-----
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	-----Do-----
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	-----Do-----

3. CSERC

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	No provision for penalty
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	Rs 10/KVA/Month on installed capacity of CPP. This is also in review.
3	There should be no minimum guarantee charges.	No minimum guarantee charges imposed.
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	Separate start-up tariff notified in T.O. 2007-08. Charges for start up power are mostly less then the charge fixed for temporary connection.
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Notified in T.O. 2006-07. These are subject to change as per tariff order.

4. DERC

Not implemented as there is hardly any surplus captive generation capacity available

5. GERC

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	No provision for penalty
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	No parallel operation charges
3	There should be no minimum guarantee charges.	No minimum guarantee charges
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	No separate standby charge but for standby power, charge is levied at applicable demand charge for contracted load of the consumer. Under Intrastate ABT, standby energy will be charged at UI rate applicable from time to time.
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Wheeling charges determined through ARR exercise & is in line with CERC regulations

6. HERC

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	-----
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	-----
3	There should be no minimum guarantee charges.	-----
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	The Commission has not considered this. There is no Open Access Customer in Haryana, so far.
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Wheeling charges determined through ARR exercise & is in advance stage of finalization.

7. HPERC:

Surplus captive capacity is being assisted.

8. JSERC

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	Regulation for CPP is in process of finalization, this feature has been included in the draft regulation.
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	Regulation for CPP is in process of finalization, this feature has been included in the draft regulation.
3	There should be no minimum guarantee charges.	Regulation for CPP is in process of finalization, this feature has been included in the draft regulation.
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	Decision on standby power will be taken on receipt of application by Open Access Customer.
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Wheeling charges have been determined in JSEB's Tariff Order 2006-07

9. J&KSERC

Regulations under preparation, all 'FOR' recommendations (points 1 – 5) is taken care in the regulation

10. KERC

Order issued on 27.02.2007 determining the tariff for procurement of power from captive generators by licensees. Tariff is linked to CERC specified UI rates. The same is under review by the Commission

11. KSERC

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	No penalty
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	No charges
3	There should be no minimum guarantee charges.	No minimum guarantee charges
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	Adjustment in kind only
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Already fixed by KSERC

12. MPERC

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	No penalty is imposed. However initial agreement period of two years is binding on the consumers.
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	Grid Support Charges / Parallel operation have not been stipulated
3	There should be no minimum guarantee charges.	There is no minimum guarantee charges .
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	Standby charges – Rs.20/kVA/month. For CPP's connected to the grid in addition to the standby charges, normal demand charges and energy charges are payable to licensee when it is availed. This support is restricted up to 1000 hours/annum, beyond this the supply is given at temporary connection rate. For CPP's not connected to the grid, standby support on normal charges is allowed up 750 hours/annum. Above 750 hours up to 1000 hours there are additional charges @ 10% higher than normal charges. Beyond 1000 hours temporary connection rates is applicable. The Regulation on Standby charges is under modification.
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Provisional wheeling charges have been prescribed.

13. MERC

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	Implemented
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	Standby Charges have been specified as Rs. 320/kVA/month and applicable only for the standby component (as compared to normal demand charges of Rs 300/kVA/month)

3	There should be no minimum guarantee charges.	Implemented
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	The standby power charges is equal to the temporary tariff
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Implemented

14. MsERC

No surplus captive generation capacity has emerged so far.

15. OERC

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	No demand charges are prescribed. According to TO 2006-07, Industrial consumers owing CPP, 420p/unit at EHT, 440p/unit at HT. Others who draw only 25% of capacity of highest unit would pay @ 380p/unit and 400p/unit at EHT & HT respectively.
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	No provision
3	There should be no minimum guarantee charges.	There is no MGR
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	No provision
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Yet to be specified by the commission

16. PSERC

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	There is no penalty for reduction of contracted demand by consumer having CPP
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	Parallel operation charges discounted as per Tariff Order 2007-08.
3	There should be no minimum guarantee charges.	Loads fed from Captive Plants are not charged monthly minimum

		charges.
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	No charges are levied for the start up power. However, in case of standby power requirement, minimum charges are payable at the rates specified in the Tariff Order.
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Transmission and Wheeling charges for availing Open Access are leviable as per Open Access Regulations notified by the Commission.

17. RERC:

<u>S. No.</u>	<u>Recommendations of 'FOR'</u>	<u>Status</u>
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	Adopted
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	No parallel operation charges. Facility for standby supply during outage of CPP provided at temporarily supply for 42 days in a year.
3	There should be no minimum guarantee charges.	Adopted
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	Adopted
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Adopted

18. TNERC

<u>S. No.</u>	<u>Recommendations of 'FOR'</u>	<u>Status</u>
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	No penalty is imposed for reduction once in a year. However, reduction is permitted only up to 50% of demand at the time of applying for reduction in demand. For second and subsequent reduction in a year, the consumer shall be liable to pay one time charge of twice the demand charges for the surrendered demand.
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	a. Energy charges at appropriate tariff for energy supplied by the licensee.

		<p>b. Demand charges:</p> <p>(i) For the energy supplied by the generator supplying to the Open Access customer deemed demand charges payable by the customer in relation to voltage at the point of injection and drawl which may vary from 37.04% to 42.76%.</p> <p>(ii) For the energy supplied by the licensee, demand charges as per the tariff order.</p>
3	There should be no minimum guarantee charges.	There are no minimum guarantee charges.
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	The charges for start up/ standby power have been specified in accordance with the provision in the tariff policy.
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Specified in the Commission order dt. 15-05-06

19. TERC

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	Not yet formulated
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	Not yet formulated
3	There should be no minimum guarantee charges.	Not yet formulated
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	Not yet formulated
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Not yet formulated

20. UERC

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	No penalty has been specified for reduction of load.
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the	No charges, fees, etc. other than the applicable tariff shall be leviable. However, the responsibility of

	lowest level.	synchronization and providing synchronizing equipments conforming to requisite standards and import/export meters shall lie with the captive generators.
3	There should be no minimum guarantee charges.	There is no Minimum Guarantee Charges
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	The Commission has included the consumers having stand alone CPP for taking emergency power supply in the event of tripping or for start up power requirements from the licensees under the Temporary Supply which shall be billed at the applicable rates. Other CPP's if they are consumers of the licensee shall be charged only the applicable tariff.
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	On case to case basis. No case reported

21. UPERC:

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	Demand charges shall be governed by tariff as specified by the Commission under schedule to which load requirement belongs to. However, in case of withdrawal from banked energy, the demand as posed shall be billed as per tariff schedule. However, no minimum guarantee charges are levied.
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	Not specified
3	There should be no minimum guarantee charges.	There is no minimum guarantee charge.
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	Start up power is provided in banking arrangement. If plant does not opt for banking with the Distribution Licensee the CPP shall be billed as per relevant tariff schedule.

5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Wheeling charges are fixed by the Commission at the time of determination of retail tariff petitions.
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22. WBERC

S. No.	Recommendations of 'FOR'	Status
1	There should be no penalty for reduction of contracted demand by consumer having CPP.	No penalty is imposed.
2	In view of little justification for levy of parallel operations charges/ Grid Support Charges these charges to be kept at the lowest level.	There is no charge.
3	There should be no minimum guarantee charges.	There is no MGR
4	Charges for start-up / stand-by power should be reasonable and should not exceed the charges fixed for temporary connection.	Regulation is in place.
5	Wheeling charges and other terms & conditions should be determined in advance by the SERC ensuring that charges are reasonable and fair.	Regulation is in place and that has taken due care.

Major achievements of SERCs-2007-08

1. ANDHRA PRADESH

1. The Commission commissioned the third party verification of agricultural consumption estimates made by the distribution companies. This has been done at the request of the Government of Andhra Pradesh.
2. The Commission has initiated some measures to price the non-conventional energy and the efforts have led to the fixation of the price for green energy in Tariff Order 2008-09.
3. The Commission initiated some measures to electricity the inaccessible areas through solar photovoltaics and M/s EPDCL, Visakhapatnam is already initiated efforts in this direction.
4. The Commission for FY 2008-09, attempted to reduce the cross subsidy through effecting the reduction in tariff for subsidizing consumer categories.
5. The Commission made some attempts to fix the procedure for procurement of power during short term based on a web procurement model. Progress is expected in this regard in FY 2008-09

2. ASSAM

1. Since its inception AERC has issued five tariff orders for FY 2002-03, 2003-04 & 2004-05 (in one order), 2005-06, 2006-07 and 2007-08. In addition the following activities are taken up after the enactment of the Electricity Act, 2003.
2. Publication and notification completed of 15 Regulations as specified under Section 181 and Section 183 of the Electricity Act, 2003.
3. Publication of a quarterly newsletter named as "The Electricity Consumer Grid" w.e.f. October, 2005.
4. Publication of Information Handbook as on December, 2005 under Section 4(1) of Right to Information Act, 2005, updated till December, 2007.
5. An attempt to create awareness among consumers about the role of the Regulatory Commission and consumers in the reform process of electricity industry by formation of the Consumer Advocacy Cell.
6. Preparation of a compact disc incorporating the Electricity Act 2003, the National Electricity Policy, and consumer related Regulations and activities of the AERC for general information.
7. The 5th Meeting of Co-ordination Forum of the AERC was held on 10.05.2007.
8. The 11th Meeting of the State Advisory Committee of the AERC was held on 27.06.2007.

During FY 2007-08, the following Tariff Orders were issued :-

1. To encourage Mini Hydro electric Project, the Commission passed order fixing the Tariff and approving Power Purchase Agreement between Hayen Hydel Power

Project Company Pvt. Ltd. and Lower Assam Electricity Distribution Company Ltd. for purchase of power from Champamati Mini Hydro electric Project of 2.25 MW capacity.

2. To encourage generation of power from non-renewable sources of energy, the Commission passed order on the tariff petition of M/s Amrit Bio Energy and Industries Limited, a private company, for the sale of 10 MW (Net) biomass based Power to the Assam Grid.
3. The Commission gave approval to Guwahati Waste Management Company Private Limited for tariff based competitive bidding for 6 MW Power Plant at Integrated Waste Management Complex at Boragaon, Guwahati.

3. DELHI

1. In terms of Section 50,57,86 and 181 of the Electricity Act, 2003, the Commission notified the Delhi Electricity Supply Code and Performance Standards Regulations 2007 on 18th April, 2007.
2. In accordance with the provisions of Section 61,62 and 86 of the Electricity Act, 2003, the Commission notified the Multi Year Tariff (MYT) Regulations, 2007 on 30-5-2007 specifying the terms and conditions for determination of generation, transmission and distribution tariff for the Control Period 2008-2011.
3. The Commission published the first MYT Order for generation, transmission and distribution companies for the Control Period FY 2007-11 in accordance with the MYT Regulations.
4. The Commission, through the Coordination Forum, facilitated signing of Power Purchase Agreements (PPAs) for capacity of around 3600 MW to provide power to Delhi with gradual commissioning of generating units commencing henceforth upto 2009-2010 onwards.
5. On the initiative of the Commission, the Govt. of NCT of Delhi notified the constitution of the Electricity Consumers Advocacy Committee (ECAC) for representing the consumer interest before DERC, Appellate Tribunal and other Courts of the land.
6. In order to provide a 3rd party meter testing facility to the electricity consumers in the NCT of Delhi, the Commission have authorised the Electronic Regional Test Laboratory ERTL(N) for carrying out 3rd party testing of meters in their laboratory situated in Okhla, New Delhi.
7. Open access charges are to be regulated in accordance with regulation 6.7 and 6.8 of the DERC (Terms and conditions for determination of transmission tariff) Regulations, 2007. The annual transmission charges segregated for the period 2007-08 to 2010-11 in MYT order issued for DTL in December 2007.

The distribution tariff order for all Discoms issued in February 2008 spells out wheeling charges and supply margin. The wheeling charges shall be used for non-discriminatory open access to the consumers. The Commission is in the process of fixing the open access surcharge.

8. Power purchase from renewable sources – In the recent MYT Order, each Distribution licensee has been advised to try and achieve 1% of their total power purchase from renewable sources.
9. The Commission has designed Supply Margin for Discoms in such a manner that there is an incentive for the Discoms to sell power to the consumers and not resort to load shedding and that the Discoms are also able to recover their expenses and return apportioned to Retail Supply Business only on supply of allowed quantum of energy.
10. The Commission issued orders on the petition filed under the provisions of the Electricity Act, 2003 by the Timarpur – Okhla Waste Management Company (Private) Limited (TOWMCL), for determination of tariff for sale of power generated by the integrated waste management complex plant to be set up at Okhla, Delhi by utilising the municipal solid waste generated in the city of Delhi as basic input. The waste is to be supplied by the Municipal Corporation of Delhi (MCD) and New Delhi Municipal Council, (NDMC). The project has been conceptualised as an integrated project which is expected to offer on unique and integrated solution for management of solid waste of the city of Delhi.
11. Grid Code finalised by the Commission.
12. The Commission has also issued an order for bringing out modalities on Sale / Procurement of Power in addition to the Power being procured through long term PPAs. The priority for Banking of Power, Bilateral Purchase / sale of Power vis-à-vis unscheduled interchanges were clearly brought out in the orders to enable the Discoms to optimise the power purchase cost.
13. IPGCL was advised to convert 1 module of GT Station to liquid fuel firing in view of paucity of gas to ensure additional 100 MW of power and the issues relating to capital as well as running costs relating to such conversions were also sorted out.
14. Energy conservation & Demand side management is being given a big push in the MYT order and further actions are being taken to promote conservation of energy during 2008-09.

4. GUJARAT

A. TARIFF ORDER

Tariff Order of Torrent Power Ltd for Surat and Ahmedabad License are issued on 31st July 2007. The salient features are as under-

1. No increase in the retail consumer tariff.
2. During 2007-08, the Commission has approved T & D Losses at 9.26%.
3. The Distribution wheeling charges have been fixed at Rs.2205 per MW per Day for the FY 2007-08 and Cross-Subsidy Surcharge for 'Open Access' consumers has been fixed at Rs. 1.00 per kWh
4. Gap of only Rs. 24.29 Crore allowed.

Fuel Price and Power Purchase Adjustment Formula of Torrent Power Ltd also given through order dated 31st July 2007.

B. OTHER IMPORTANT ORDER

Adoption of tariff for the supply of electricity i.e. 3200 MW on long term basis obtained under case-1 Bid specification No 01/LTPP/2006, 02/LTPP/2006 and 03/LTPP/2006 dated 20th December 2007.

Determination of price for procurement of power by the Distribution Licensees in Gujarat from Biomass Gasification Power Plant (Rs. 3.08 per unit): order dated 17th August 2007.

Determination of price for procurement of power by the Distribution Licensees in Gujarat from mini and micro hydropower projects (Rs. 3.29 per unit): order dated 14th June 2007.

Determination of Operation and Maintenance Charges (1.5% of capital cost) to be levied from wind farm's dedicated Transmission Lines.

Approval of Power Purchase Agreement between Gujarat State Electricity Corporation Ltd and Gujarat Urja Vikas Nigam Ltd for 107 MW Dhuvaran Thermal Power Station dated 27th July 2007.

Order on clarification of issues related to establishment of operation of the Captive Generation Plants and dedicated transmission line in the state of Gujarat dated 22nd September 2007. (Petition No. 860/2007).

C. REGULATIONS

Multi Year Tariff Regulation notified on 20th December 2007.

D. STATUS OF PETITIONS/APPEALS RECEIVED, DISPOSED AND PENDING

PETITIONS

Petitions carried forward from last year (FY 2006-07)	No. of Petitions received (1st April 2007 to 31st March 2008)	Total	Disposed off (1st April 2007 to 31st March 2008)	Pending as on 31st March 2008
32	33	65	51	14

APPEALS

Appeals carried forward from last year (FY 2006-07)	No. of Appeals received (1st April 2006 to 31st March 2008)	Total	Disposed off (1st April 2006 to 31st March 2008)	Pending as on 31st March 2008
2	2	4	2	2

C. OTHERS

Standard of Performance Quarterly reports submitted by Distribution Licensees from 1st Quarter of FY 2007-08 and the same is posted on the website of the Commission.

The Commission hosted the FOIR Meeting during 4-8th Oct, 2007

Commission conducted Meeting with Consumer Grievance Redressal Forums established by various distribution licensees including independent members on Saturday 29th December 2007.

Commission conducted a meeting with MDs/CEOs/Chairmen of various distribution licensees on 6th June 2007 for discussing issues like enhancing redressal mechanism, Standards of Performance, activities of Energy Efficiency and Demand Side Management, handling theft and unauthorized use of electricity, etc.

Meeting of State Coordination Forum held on 2nd January 2008.

Meeting of State Advisory Committee held on 18th December 2007.

5. ORISSA

1. A workshop on Standard of Performance and Consumer Satisfaction had been organized by OERC on 22.09.2007.
2. A new category, namely, 'Agro-Industrial Consumers' has been introduced vide OERC Distribution (Condition of Supply) (4th Amendment) Code, 2007. The Commission fixed irrigation pumping and agriculture tariff to this category for FY 2008-09.
3. Under Section 31 of Electricity Act, 2003 road map for segregation of SLDC from OPTCL as independent system operator have been issued.
4. As per Section 6.2 of National Tariff Policy, Intra-state Availability Based Tariff Regulation, 2007 have been framed by the Commission under section 181 of the Electricity Act, 2003 which was published on 14.02.2008.
5. Ombudsman offices were reorganized. Two Ombudsmen one for CESU and other for WESCO, NESCO and SOUTHCO appointed.
6. Frequently Asked Questions (in Oriya) have been published for the awareness of the general consumers of the State.

7. CGPS are under operation before the reform started in Orissa. In the meantime Govt. Of Orissa had floated a Consultative Paper on Harnessing Captive Generation of the State. Under section 6.3 of National Tariff Policy for better utilization of surplus Captive Generation of the State. Under section 6.3 of National Tariff Policy for better utilization of surplus Captive Generation the Commission issued an order pertaining to Pricing of Surplus Power from CGP on 14.03.2008.
8. Order for charges of open access has been issued. In the said order the Commission determined transmission and wheeling charges and rate of cross-subsidy surcharges for different DISTCOs.
9. Tariff orders for FY 2008-09 pertaining to CESU, NESCO, WESCO, SOUTHCO, GRIDCO, OHPC and OPTCL have been issued.
10. Important documents under the License conditions of Distribution Licensees i.e. (i) Consumer Rights Statement, (ii) Code of Practice for Payment of Bills and (iii) Complaint Handling Procedure have been approved.
11. The first State Coordination Forum Meeting u/s 166 of the Electricity Act, 2003 have been held.

6. RAJASTHAN

1. RERC (Rajasthan Electricity Grid Code) Regulation 2008
The regulation to specify the grid standards for operation and maintenance of state grid as per provisions of section 86 of the Electricity Act, grid code consistent with Indian Electricity Grid Code issued by Central Electricity Regulatory Commission (and to supersede the existing grid codes prescribed by Transmission & Distribution licensee's) has been finalised by the Commission and will be notified shortly may be in April itself.
2. Notification for Implementation of Open Access for less than one year:
As per Open Access Regulations, the Commission had permitted Open Access for consumers with Contract demand of 1 MVA and above for a period of one year and above w.e.f. 1.04.2008. The Commission has issued a notification on 26th March 2008, wherein intrastate open access has been allowed for a period of less than one year also w.e.f. 1 April 2008. The procedure and other terms and conditions for this purpose have been kept same as were applicable to short term open access consumers.
3. Multiyear Tariff:
The Commission has determined the aggregate revenue requirement of generation, transmission and distribution companies upto the first control period ending on March 2009 based on multi year tariff principles.

4. Rationalizations of Tariff:

The Commission has rationalized the existing tariff structure by introducing following features:

- (i) **Abolition of minimum charges for all category of consumers except agriculture.**
- (ii) Discoms have been directed to file petition for tariff revision with the following consideration.
 - a. The tariff for BPL supply should be at least 50% of the cost of supply.
 - b. Cross subsidy within different categories of consumers to be limited to 20% of the cost of supply by 2010-11, as per Tariff Policy.
 - c. There should be no discrimination in the category of consumers of the licensee, having Captive Power Plant (CPP) or otherwise.
 - d. A provision of ToD tariff should be incorporated for the consumers having contract demand of 1500 kVA and above.
 - e. Reduction in the number of tariff schedules for different category of consumers.
- (iii) **RERC has allowed Power Purchase Cost Adjustment (PPCA) as a pass through to the extent of 50% of the actual variation.**
- (iv) **The CPP persons without any contract with the Discoms will now be eligible to get the grid connectivity.**
- (v) **Categorization of the consumers in telecom sector from non-domestic to mixed category similar to BSNL/MTNL and units under IT policy of Government have been considered as Industries.**
- (vi) **Voltage rebate to certain category of consumers taking supply at higher voltage has been allowed.**

5. Cross Subsidy Surcharge

Cross subsidy surcharge has been reduced by 20% from the existing level.

6. Trading Margin

The Commission has notified the Regulation prescribing the trading margin for trading licensee, generating companies including CPP and distribution licensee including deemed licensee

7. Coordination Forum Meeting:

In exercise of the powers conferred by Section 166(4) of the Electricity Act, 2003, Govt. of Rajasthan constituted a Forum on 29.01.2004 for smooth and coordinated development of the power system in the State. The first formal meeting of the Coordination Forum was held on 2.01.2008.

8. **Determination of tariff for Solar Power Plants:**

The Commission determined the tariff for solar power plants as tabulated below:

S. No	Particular	SPV Technology	CSP Technology
1.	Solar power plants commissioned upto 31.12.2009	Rs.15.78/Kwh.	Rs.13.78/Kwh
2.	Solar power plants commissioned after 31.12.2009 but by 31.3.2010./	Rs.15.18/Kwh.	Rs.13.18/Kwh
The tariff shall be levelized (constant) for a period of ten years thereafter the tariff shall be determined by the Commission as per the regulations in force.			

9. Approval of Independent Meter Testing Laboratories:

The Commission has put in four independent third party meter testing laboratories for the state of Rajasthan in term of provisions made under clause 5.4.0, of National Electricity Policy.

10. Tariff for Captive Generation:

RERC specified the tariff considering return on equity to the tune of 14%, as mandated in tariff policy different rates for peak, off peak & normal hours of supply under firm & non firm power supply agreements with due consideration to the variable cost of Generation and reasonable compensation for capacity charges(as per clause 6.3 of the Tariff Policy).

11. RERC(Metering) Regulations 2007:

Regulations to specify the conditions for installation and operation of meters have been issued as mandated at clause 5.4.8 of the National Electricity Policy.

12. Redressal of Consumer Grievances:

Relating to consumer Grievance Redressal mechanism of Distribution licensee, an independent member has been nominated by the Commission to make the process of grievance Redressal more effective, transparent and judicious. Further, a provision to the redressal of the grievance by mutual settlement between the licensee and the aggrieved consumer has also been introduced. Further a time frame has also been prescribed for settling the consumer grievances speedily.

ANNUAL STATEMENT OF ACCOUNTS- 2006-07 & 2007-08

1. Forum of Regulators (FOR) has been constituted by Government of India vide Notification dated 16th February, 2005 and given an amount of Rs.3,70,10,642.73 as Corpus Fund. The highlights of annual accounts of Forum of Regulators for year 2006-07 and 2007-08 are as under:

(In Rupees)

FY 2006-07		
Income		
1.	Annual subscription from Members of FOR	1,100,1000.00
2.	Total interest received on investments/Bank deposits	2,681,083.33
	Total	3,781,083.33
Expenditure		
1.	Professional fees for RIMS etc.	1,795,324.00
2.	Consultancy Charges	45,000.00
3.	Other expenditure (meeting/seminars/TA/DA etc.)	443,621.00
	Total	2,283,945.00

(In Rupees)

FY 2007-08		
Income		
1.	Grant-in-aid received from Ministry of Power (Rs. 80 lakh for capacity building and consultancies and Rs. 10,03,266/- for RIMS)	9,003,266.00
2.	Annual subscription from Members of FOR	1,350,000.00
3.	Total interest received on investments/Bank deposits	4,251,334.81
	Total	14,604,600.81
Expenditure		
1.	Professional fees for RIMS etc.	915,604.00
2.	Consultancy Charges	1,146,072.00
3.	Other expenditure (meeting/seminars/TA/DA etc.)	292,641.00
	Total	2,354,317.00

2. As on 31st March, 2007, the balance in Bank A/c was Rs. 319482/- (in credit) and the FOR has total investments of Rs. 4,12,10,642/- in the form of FDRs and As on 31st March, 2008, the balance in Bank A/c was Rs. 66,31,979/- and the FOR has total investments of Rs. 4,28,62,506/- in the form of FDRs and Auto Sweep Accounts.