

CHAPTER – 3

PUBLIC CONSULTATION

SUGGESTIONS / OBJECTIONS & REPLIES

3.1 As per the provisions of Section 64 of the Electricity Act, 2003, the Commission undertook the process of public consultation, in order to obtain suggestions/views/objections from the interested stake-holders, on the application filed by the GESCOM for Annual Performance Review for FY18 and approval of Revised Annual Revenue Requirement for FY20, FY21 & FY22 and revised retail supply tariff for FY20 under the MYT Principles. In the written submissions as well as during the public hearing, the stake-holders and the general public have raised several objections/ made suggestions, on the Tariff Application.

The names of the persons who have filed written objections and made oral submissions are given below:

List of persons who filed written objections

Sl. No	Application No.	Name & Address of Objectors
1	AE-01	Indian Energy Exchange, New Delhi.
2	AE-02	Greenko Energies Private Limited, Hyderabad
3	GA-01	Hyderabad Karnataka Environment Awareness and Protection Organization, Kalaburagi
4	GA-02	Karnataka Small Scale Industries Association, Bengaluru
5	GB-01	ACC Limited, Kudithini Cement Works, Bellary Dist.

3.2 List of the persons, who made oral submissions during the Public Hearing, held on 11.02.2019.

List of persons who made oral submissions during the Public Hearing

SL No	Names & Addresses of Objectors
1	Sri. Deepak G. Gala, Hyderabad Karnataka Environment Awareness & Protection Organization.
2	Sri. Sidramayya Hiremath, RTI Activists, Association, Kalaburagi.
3	Sri Basavaraj
4	Sri Sangamnath Hiregoud
5	Sri Hanumanth Kaniyal

SL No	Names & Addresses of Objectors
6	Sri Chennabasayya G. Nandikol, Hyderabad Karnataka Chamber of Commerce & Industry.
7	Sri Mallana Gowda Patil - B.K.S
8	Sri Jagadish
9	Sri Shantha Gowda
10	Sri Bhima Shankar for Sri Gajanana Maharaj Food Products, Kalaburagi.
11	Sri Vasantha Rao Valageri.
12	Sri Siddu Subedar
13	Sri Kalyan Rao
14	Sri Subhash Chandar
15	Sri B Umapathi, Sedam.
16	Sri Chandrashekhar
17	Sri Siddalinga

3.3 The gist of the written objections, the replies by GESCOM and the Commission's Views is appended to this order as **Appendix-1**.

The additional points made during the Public Hearing, are summarized below:

1. Interest on subsidy amounting to Rs. 127.69 Crores has not been claimed by GESCOM from the Government. Punjab ERC has imposed an interest on Punjab Government for late payment of subsidy. The Commission should impose interest on GoK for late payment of subsidy.
2. All PPAs and energy purchased bills to be displayed on the website of GESCOM;
3. Since 2008, interest on the arrears due from the panchayats have not been claimed by GESCOM;
4. Consumer Interaction Meetings (CIM) are not chaired by SEs and details are not uploaded on the website. Reports on action taken are not being published or made available to the consumers.
5. Advance notices of CIM should be given to the farmers.
6. Officers are not available in the office. Thus, visiting hours needs to be specified for convenience of public.
7. Consumer handbook should be given to farmers to create awareness.
8. The expenditure incurred towards metering of IP sets is a wasteful expenditure as the meter readings are not taken on a regular basis.
9. Linemen should be transferred on a regular basis for reducing corruption.

10. GESCOM has quoted high estimates towards works awarded under various schemes.
11. Minimum twelve hours of 3-phase supply should be provided to farmers.
12. GESCOM has not mentioned the measures taken to improve its efficiency in operations, in its Petition.
13. Subsidy for IP sets claimed by GESCOM is 15-20% less than the average cost resulting in increased cross-subsidy burden on industries.
14. Despite separation of feeders under NJY scheme, only 4 to 5 hrs. power supply is being provided to IP sets.
15. Most of the BJ/KJ consumers use more than sanctioned load but no action is taken against such consumers.
16. Ineligible persons are availing free electricity and no inspections are carried out to prevent such misuse.
17. Due to absence of timer switches in 6084 street light installations, street lights glow during the daytime resulting in wastage of energy and thereby adding to the losses.
18. The transformers are heavily loaded resulting in frequent outages. The farmers are forced to pay Rs. 15,000-16,000 in order to replace burnt transformers due to lack of spare transformers in stock. GESCOM should keep a buffer stock of transformers.
19. Industries should incentivize by providing a discount of 5% for prompt bill payment.
20. Incentive of 3 paise per unit should be increased to 20 paise/unit to encourage installation of capacitors by industries.
21. Adequate awareness regarding filing of tariff Petition by GESCOM needs to be created.
22. Temple, Dargah and Mutts to be provided with free power.
23. Number of electrical accidents have increased. Safety audit by third party needs to be carried out.
24. Enumeration of IP Sets is not mentioned in the petition. Defunct IP Set data not available on the website of GESCOM. The subsidy claim towards IP sets energy consumption is based on unreliable data to cover the losses.
25. Telephone number 1912 provided for registering complaints is not functioning properly. Irrelevant questions are being asked from the consumers and problems are not getting resolved.

26. Scrap transformers are not being disposed-off in accordance with the specified procedures.
27. LED bulbs and star rated equipment are not being used by the consumers under DSM program, as GESCOM has not created sufficient awareness.
28. No responsibility is fixed against the officers for suffering of Linemen due to accidents.
29. No action is being taken against the corrupt officials, even if there are complaints against them pending in Lokayukta.
30. GESCOM has rented out its land and no rent is being charged towards its use resulting in loss of income to GESCOM.
31. Coal prices have reduced and rainfall has increased, no hike in tariff should be approved.
32. Theft and vigilance cases should be made available in public domain.
33. Disconnection drive due to non-payment of dues should be conducted by GESCOM.
34. Works outsourced to contractors are not being inspected by GESCOM authorities. HT wires are laid near the houses.
35. To reduce the cost of power purchase, solar pump-sets and solar power for domestic households should be promoted as solar power tariff is low.
36. Farmers are facing hardship due to delay in replacing the faulty transformers.
37. GESCOM has failed to supply uninterrupted supply of power to industrial areas. The power supply to industrial areas is erratic with frequent load shedding.
38. GESCOM has not taken any action to improve the power supply situation.
39. The actual distribution losses of GESCOM is 16.39% as against 15% for FY19. Thus, GESCOM has failed to control its distribution losses and thus, resorting to tariff increase.
40. GESCOM has incurred a deficit of Rs. 351.58 Crores and Rs.968.41 Crore for FY18 and FY20 respectively, resulting in total gap of Rs. 1,319.99 Crores.
41. GESCOM has not yet implemented a system to provide advance notice to the consumers regarding load shedding via SMS in accordance with the Commission's directive which has resulted in loss of production to the industries.

42. The Commission should direct the GESCOM to provide rebate in tariff rates to the industries.
43. The Commission should direct GESCOM to provide uninterrupted and quality power supply to all the consumers, especially to the industries.
44. GESCOM may opt for complete shut-down of power supply on a day in a week and should provide uninterrupted and quality power supply during other days of the week.
45. Upward revision of tariff should not be approved, instead directions should be issued to GESCOM to comply with all directives issued by the Commission from time to time.

3.4 Response from GESCOM:

The Managing Director, GESCOM stated that most of the issues raised in the public hearing are answered in the written replies. However, all the issues raised will be once again looked into and necessary action will be initiated.

Commission's Views:

GESCOM is directed to look into all the above issues and take remedial measures in the interest of consumers of GESCOM.