

**Minutes of the 5<sup>th</sup> meeting of the Forum of Regulators for Eastern and North-Eastern States (FORENS) held at BNR Chanakya, Ranchi, Jharkhand on 5<sup>th</sup> and 6<sup>th</sup> May, 2016 hosted by JSERC**

The 5<sup>th</sup> meeting of the Forum of Regulators of Eastern & North Eastern States was held on 5-6 May, 2016 at Ranchi, Jharkhand.

**Members Present:**

1. Hon'ble Justice N.N. Tiwari, Chairperson, JSERC
2. Sri S.P. Nanda, Chairperson, OERC
3. Sri R. N. Sen, Chairperson, WBERC
4. Sri S.K. Negi, Chairperson, BERC
5. Sri Niharendu Chakraborty, Chairperson, TERC
6. Sri N.R. Bhattarai, Chairperson, SERC
7. Er. Imlikumzuk Ao, Chairperson, NERC
8. Sri R.K. Kishore Singh, Chairperson, Joint ERC (Manipur & Mizoram)
9. Sri R.N. Singh, Member, JSERC
10. Sri Amitav Biswas, Member, WBERC
11. Sri S.C. Jha, Member, BERC
12. Sri Rajeev Amit, Member, BERC
13. Sri Deepak Chakravorty, Member, AERC
14. Sri S.C. Das, Member, AERC
15. Sri A.K. Das, Member, OERC

**Official Present:**

1. Sri K.L. Panda (Secretary I/c, OERC), Secretary FORENS
2. Sri Amitabh Mehta, Secretary, JSERC
3. Sri Ajoy Sahu, Joint Director, OERC
4. Sri D.P. Mallick, Consultant, WBERC

**Meeting on 06.05.2016**

In the chair – Sri S.P. Nanda, Chairperson, OERC.

At the outset, Sri K.L. Panda, Secretary FORENS welcomed the members of the FORENS to the meeting and outlined the contribution of the Chairperson, Members of JSERC for excellent arrangement for the meeting. He appreciated and thanked the Secretary, JSERC and the staff for working very hard to make the meeting successful. Balance sheet of the FORENS account for 2015-16 and the up-to-date account was placed before the Forum for perusal and acceptance of the members of the FORENS. He also informed that subscriptions from the participating ERCs of FORENS for the year 2016-17 have been received except those from West Bengal, Tripura and Arunachal

Pradesh. It was requested to the member commissions to expedite the payment of the pending subscription. The Forum accepted the accounts for the year 2015-16 and till date. Sri S.P. Nanda Chairperson FORENS invited Hon'ble Justice N.N. Tiwari, Chairperson, JSERC to Chair the forum in business sessions.

In Chair Hon'ble Justice Sri N.N. Tiwari, Chairperson JSERC speaking on consumer participation in electricity regulation, he opined that it is important to ensure democratic values, social acceptance of matters and consumer interest in the regulatory process. He elaborated on provisions in the Electricity Act, 2003 regarding consumer participation and referred to the provisions in Section 94(3) of the Act providing for appropriate Commission to authorize any person to represent the interest of the consumers in the proceedings before it, Section 64(2) of the Act provides for publication of the ARR application in such abridged form and manner as may be specified by the Commission, Section 64(3) of the Act provides for considering all suggestions and objections received from the public and section 80 and 87 of the Act provides for establishment of advisory committee to advise CERC and SERCs respectively in the matters of policy, quality, continuity, service conditions of license, standard of performance and protection of consumer interests. He concluded with the opinion that effective and meaningful consumer participation in regulatory process would enhance the regulatory interest.

**Agenda Item No.1 : Challenges/ Measures for achieving 17% RPO compliance by the year 2022 by the members of FORENS.**

Sri D.K. Tewatia, Director, Jharkhand Renewable Energy Development Agency (JREDA) presented on the recent developments in the revised national tariff policy and MNRE guidelines/ circulars regarding RE targets. As per these, the states are required to achieve minimum 17% RPO obligation by the year 2022 out of which solar obligation should be minimum 8%. He stated about the positions in Jharkhand State in the issue. He elaborated on categorization of different states into group A, B and C. North Eastern States having very poor insulation come under Group-C category. He opined that there is lack of initiative, seriousness on the part of states to tap renewable energy and highlighted on the barriers in achieving the non-solar RPO targets in view of the very limited wind and biomass potential in the state of Jharkhand and development of small hydel projects. With specific reference to Jharkhand, where efforts are on to allocate 1200 MW of solar PV power through bidding process including 500 MW of roof top, he projected an optimistic picture for Jharkhand. However, Chairperson, JSERC opined on the difficulties being faced in achieving targets even though agreement on the same by respective Governments. Following the discussion, Chairperson WBERC opined that in spite of imperatives for switching over to renewable, barriers are challenging. He dwelled upon the issue of accurate assessment of RE potential in eastern and north eastern state, reduced CUF due to shorter sunny days, compared to north and requirement of vast tracts of lands, finances, etc. Therefore suggestion was made for grant of special subsidy by MNRE for better implementation of grid connected roof top solar power. A copy of such proposal to GoI from WBERC was made available to the participants for benefit of respective states. Such proposal needs customization for adoption by beneficiary states based on specific needs. A copy of such DPR was circulated for perusal and further

discussion by the members of FORENS. He suggested for proposal to GoI through the Chairperson OERC. Chairperson, OERC opined that MNRE policy and revised tariff policy have issues strictly not in accordance with the provisions of the Act. Therefore, best efforts to meet the RPO targets are to be done and GoI can be approached for any relief if required. Sri S.C. Jha, Member, BEREC opined that non-solar should be allowed in place of solar RPO obligation where hydel potential is available. Sri D. Chakraborty, Member, AERC opined that purchasing REC alone does not mitigate RPO requirements of the stations. He further said that availability of land for solar projects is a major bottleneck and therefore tariff of RE projects is high in the state. Moreover, Assam has less other non-solar resources. Er. Imlikumzuk Ao, NERC informed that except Dimapur there is not enough potential for generation of solar power in the state of Nagaland. Therefore, it is difficult to achieve the RPO. Sri N. Chakraborty, Chairperson, TERC, Chairperson NERC, Chairperson, BEREC participated in the discussion. Sri A.K. Das, Member, OERC stated that technical matters like strengthening of distribution network, complying with grid standards and smart metering should be met for ensuring achievement of RPO. It was therefore decided to undertake following actions by the member commissions.

- All member commissions to prepare their state specific DPR for achievement of realistic solar energy in the manner done by WBERC customized to their own requirements keeping in view the tariff policy and MNRE guidelines. If desired consultant to WBERC can be roped in.
- The DPR may be sent directly to the MNRE by the member commissions with a copy of executive summary to FORENS Secretariat.

## **Agenda Item No.2 : Consumers participation in electricity Regulations.**

Sri K.K. Verma, Chief Engineer, Jharkhand Bijli Vitran Nigam Ltd. made a power point presentation on the above subject. He highlighted the provisions in Section 94, 64, 87 etc. of the Electricity Act, 2003 wherein the participation of various stakeholders including consumer groups have been described. Chairperson, JSERC stated that unfortunately there is absolutely no representation/ participation of consumers from weaker section in the tariff hearing. The participation can be improved by taking various measures like identification of dedicated consumer groups, capacity building, proactive regulatory actions and effective communication system. Regulators have notified many regulations which have provision for consumer participation. More and more awareness is required and requisite steps must be taken to apprise the consumers of their rights. SAC members should sensitize the people in their area for the purpose. Sri D. Chakraborty, Member, AREC stated that due to low education level, the awareness is also low among the consumers. People are mostly concern with low tariff and 24x7 power supply. The Commission has taken steps for consumer survey which is currently done in the state. The social activists should take initiative with regard to consumer awareness. Chairperson, WBERC stated that various consumer groups interact regularly with the Commission and consumer awareness is being done through NGO. Chairperson, BEREC stated that most of the complaints of the consumer are related to billing. Chairperson,

OERC opined that there needs to be a significant change in the architecture of distribution business in order to inculcate more awareness among consumers.

**Additional Presentation made by Sri D.P. Mallick, Consultant, WBERC**

Sri Mallick made a power point presentation on implementation of Regulation for micro grid operation on behalf of WBERC.

**Agenda Item No.3: Discussion and finalization on the proposal for holding forthcoming 6<sup>th</sup> FORENS meeting at Imphal, Manipur.**

It was agreed that Joint ERC for Manipur & Mizoram shall host the 6<sup>th</sup> FORENS meeting at Imphal on September 9<sup>th</sup> - 11<sup>th</sup>, 2016. Sri R.K. Kishore Singh, Chairperson, Joint ERC (Manipur & Mizoram) stated that he shall send the agenda note of the above meeting to OERC. Other states are also requested to send their agenda items early.

**Vote of Thanks:**

Hon'ble Justice N.N. Tiwari, Chairperson, JSERC thanked all members of FORENS for participating in the meeting. He also thanked all for successful completion of the meeting. Sri S.C. Das, Member, AERC thanked the Chairperson, Member and staffs of JSERC on behalf of FORENS for beautiful arrangement made by them.

The meeting ended with vote of thanks to Chair.

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