

1. INTRODUCTION

The Karnataka Electricity Regulatory Commission established in November 1999 has completed six years of its functioning. In the year FY06 many important provisions of the Electricity Act 2003 (36 Of 2003) have come into force. The National Tariff Policy was issued by the Govt of India on 6.1.2006 and the Commission has finalized and notified most of the regulations under the Act. All the Regulations were formulated in-house by the Commission. One significant change brought about by the Act during FY 06 is that, under the provisions of Section 39(1) of the Act, KPTCL ceased to be a trader with effect from 10.06.2005 and has become only a wires company. Accordingly, GoK vide order dated 10.05.2005, has ordered that the ESCOMs will purchase power from the various generating companies with effect from 10.06.2005 and assigned all the PPAs to the ESCOMs. Another significant event is formation of one more ESCOM in the State i.e. Chamundeswari Electricity Supply Corporation Ltd (CESC) at Mysore with effect from 01.04.2005 by bifurcating MESCOM.

During the year, the Commission has continued its efforts to consolidate the gains achieved so far and is continuing its efforts to be fair and transparent in all its activities. The Commission has also continued its efforts to protect the interest of the consumers, without jeopardizing the interests of the licensees. The activities of the Commission during FY 06 have been presented in this Annual Report. This report also includes, wherever appropriate, information, data, events and action taken reports up to the date of preparation of this report to provide a coherent report on the activities of the Commission.

1.1 The Commission

Sri K.P. Pandey is the Chairman of the Commission and Sri. H.S. Subramanya and Sri S.D. Ukkali are the Members. Sri. K.P. Pandey

assumed charge on 15.12.2004 and Sri. H.S. Subramanya and Sri S.D. Ukkali on 14.07.2003.

1.2 The Commission's Office

The Commission's Office is headed by the Secretary. Sri Shaik Ahmed, KAS (Selection Grade), assumed charge as Secretary on 07.10.2005 and after his retirement from service on 30.04.2006, the Commission has appointed him as Secretary on contract basis with effect from 03.05.2006. Earlier, Sri I. R. Perumal, IAS was the Secretary from 21.12.2004 to 08.09.2005 and Sri M. Nagaraj, Director (Technical) was in-charge Secretary from 08.09.2005 to 07.10.2005.

The organizational chart of the Commission is given in **Annex- 1.1**

1.3 Commission's Meetings

In FY 06, the Commission held 6 meetings and a number of issues were discussed and actions were taken. A number of issues were also decided by circulation of relevant files. In addition, the Commission also held several informal meetings to discuss and sort out various issues.

2. PROGRESS ON WORK PROGRAMME FOR FY06

2.1 ERC of ESCOMs/KPTCL/Hukkeri Society for FY 06 and FY07

2.1.1 KPTCL ERC for FY 06

The ERC filing of KPTCL for FY06 was due on 30.11.2004. But the KPTCL sought time for filing the ERC stating that the KPTCL & ESCOMs have addressed the GoK, to indicate the amount of subsidy available for FY06. After grant of extension of time twice by the Commission up to 31st January 2005, the KPTCL filed the ERC for FY06 on 16.02.2005. The Commission considered the same along with ERC for FY05 and KPTCL was informed on 28.02.2005 to publish a summary of their applications for FY05 and FY06 in the newspapers by 10.03.2005 calling for objections as required under the KERC (Tariff) Regulations.

However, KPTCL filed its amended ERC for FY06 on 28.03.2005 and further provided replies to the preliminary observations of the Commission thereto on 12.04.2005 along with the amended ERC. The Commission informed KPTCL on 20.04.2005 to publish the summary of applications for FY05 and FY06 in the newspapers latest by 30.04.2005. Accordingly the KPTCL published the notices in the newspapers calling for objections within 30 days from the date of the first publication.

2.1.2 ESCOMs ERC for FY 06

Similarly the ERC filing of ESCOMs for FY06 was due on 30th November 2004 while the ESCOMs sought time for filing the ERCs for the same reason stated by KPTCL in the preceding para. After grant of extension of time twice by the Commission up to 31st January 2005, KPTCL/ESCOMs vide their letter dated 28.01.2005 again requested time upto 15.02.2005 for filing the ERCs. The Commission vide its letter dated 17.02.2005, informed

the ESCOMs that any deficit arising out of delay in ERC filing for FY06 would not be passed on to the consumers through tariff and that the same has to be borne by the ESCOMs.

The GoK informed the Commission vide its letter dated 21.02.2005, indicating the subsidy allocation for FY06 as Rs.1750 Crs.

All the four ESCOMs filed their ERC for FY06 along with tariff applications to bridge the revenue gap on 31.05.2005. The same were considered as petitions by the Commission and the ESCOMs were informed vide letter dated 01.06.2005 to publish a summary of their ERCs for FY06 & tariff applications, in the newspapers latest by 10.06.2005 calling for objections as required under the KERC (Tariff) Regulations.

Accordingly the ESCOMs published the notices in the newspapers calling for objections. KPTCL/ESCOMs responded to the objections received individually and copies of the replies were also filed with the Commission. Subsequently, the Commission held public hearings in the matter at each ESCOM headquarters and at the Commission's office. The hearing was attended by representatives of various consumer groups, companies, associations, and institutions besides individual consumers. The Commission examined all the objections received and also took note of the objections raised during the public hearings before issuing the Tariff Order 2005.

2.1.3 Tariff Order-2005

On the ERC of KPTCL for FY05 & FY06 and that of the ESCOMs for FY06 and relevant tariff applications, the Commission issued the Tariff Order 2005 on 27th September 2005. The Commission has not allowed any retail tariff revision in this order but tariffs have been substantially rationalised. A significant feature of this order is that for the first time in the country, the

Commission has introduced different tariffs for urban centres and rural areas across the state. While the tariffs have been marginally increased for a few categories in a few slabs in Bangalore Metropolitan area and City Corporation areas, the same has been reduced in village panchayat areas while retaining the tariffs at other urban centres. Introduction of different tariffs in the urban centres and rural areas has been widely welcomed by various quarters.

The Commission has also determined tariff in respect of IP sets considering the Govt subsidy and separate tariff without subsidy and has directed the ESCOMs to apply the tariffs without subsidy in case the Govt fails to release the subsidy in advance at the beginning of each quarter. Similarly in the case of Bhagya Jyothi/Kutir Jyothi installations, the Commission has directed the ESCOMs to apply normal tariff as determined by the Commission, in case the Govt fails to release the subsidy in advance. This had to be done to give effect to section 65 of the Electricity Act 2003.

The Commission has accepted the subsidy allocation made by the ESCOMs in their ERC filings for the purpose of release of subsidy by the GoK in FY06, which is as follows:

Subsidy Allocation

ESCOM	Amount of GoK subsidy allocated in the ERC for FY06 (Rs in crs)
BESCOM	Nil
MESCOM	203.02
HESCOM	917.82
GESCOM	605.46
Total	1726.30

The Tariff Order 2005 has come into effect from 10th October 2005.

2.1.4 Split ERC

The ERC filing of MESCOM for FY06 also included the ERC of CESC. In the Tariff Order dated 27th Sep 2005, the Commission had directed the MESCOM and CESC to provide break up details for the ERC and to obtain approval of the Commission for the same. Accordingly, MESCOM & CESC filed their split ERCs and the Commission has approved the split ERC vide order dated 29th November 2005.

2.1.5 ERC of Hukkeri Co-Operative Society for FY06

ERC application for FY06 was filed by the Society on 31st Dec 2004, which was returned by the Commission with observations on 3rd February 2005. The Society provided compliance to the observations and after issue of the Tariff Order 2005 in respect of the ESCOMs, the Commission issued a separate order in respect of the ERC of the Society on 8th Nov 2005, approving the same retail tariff as applicable to the consumers in the ESCOMs area.

2.1.6. ERC of KPTCL for FY07 and Tariff application:

KPTCL filed its ERC for FY 07 on 30th November 2005 along with the tariff application. The Commission communicated its preliminary observations on the filings on 06.12.2005 and KPTCL provided replies to these observations on 15.12.2005. The Commission cleared the application on 16.12.2005 for publication of notice and the same was published by KPTCL on 24th and 25th December 2005 calling for objections.

The ERC filed by KPTCL envisaged a capital investment of Rs. 2700 Crs with a target of commissioning 365 stations at the rate of one station each day during FY 07. As KERC had observed that the financial and physical targets indicated by KPTCL were several times higher than what

KPTCL had achieved historically over the last four years, the Commission took a decision to have the proposals of KPTCL examined by an Expert Committee.

Accordingly, an Expert Committee consisting of Sri B.G. Rudrappa former Chairman K.E.B., Sri H.R. Gopal, former Member KERC, Sri P.S. Jagannatha Gupta, Retired CEE KPTCL. Sri V.M. Chandre Gowda, Director (Technical) KPTCL was formed. Technical Director KERC was the convener. The Committee reviewed the Capital Expenditure programme of KPTCL for FY 07 in detail and following recommendations were made:

- a. All ongoing works should be completed on priority during FY 07.
- b. All augmentation works should be completed on priority.
- c. Capital expenditure shall be restricted to Rs. 1755 Crs.

The Commission conducted the Public Hearing on the ERC/Tariff application on 21st March 2006. After considering the views and suggestions from the public, stakeholders and the recommendations of the Expert Committee, the Commission issued the Tariff Order on KPTCL's ERC and Tariff application for FY 07 on 7th April 2006.

In the said order the transmission tariff has been retained at the same level of 19.42 Ps/unit as in the previous year, while the transmission loss has been approved at 4.06% for FY07 as against 4.18% in the previous year.

2.1.7 ERC of ESCOM/Hukkeri Society for FY07

ESCOMs have filed their ERCs and Tariff filing for FY 07 during 2nd week of May 2006, which has been taken up for validation by the Commission. Hukeri society has also filed its ERC for FY07. The applications are under

preliminary verification and the Commission will issue orders on these applications in due course after following the prescribed procedure.

2.1.8 Standard Power Purchase Agreement Formats in respect of purchase of power from various categories of NCE projects

In KERC Order dated 18.01.2005 the Commission had determined tariff in respect of various categories of NCE projects. In the said Order the Commission had also directed KPTCL to file draft standard PPAs in respect of the NCE projects considering various suggestions made by the IWPA during the public hearing on NCE tariffs. Accordingly, KPTCL had filed the draft Standard PPAs. In order to elicit the views of all the stakeholders and experts a public hearing in this regard was arranged on 4th July 2005. After considering the comments and views of various developers, stakeholders etc, the formats have been standardized and order in this regard was issued by the Commission on 18.08.2005. Subsequently certain amendments to the standard PPA format were issued on 1st Dec 2005. Thus the PPAs in respect of NCE projects have been standardized and the same is being followed.

2.2 Regulations, Codes and Standards

Amendments to a number of Regulations already issued during the previous year/s were notified during the year as indicated below:

2.2.1 Amendment to KERC (Recovery of Expenditure for Supply of Electricity) Regulations, 2004

In view of the difficulties in implementing certain provisions of the said regulations, distribution licensees/consumers approached the Commission to incorporate certain modifications to remove the difficulties. The Commission reviewed the issues raised by the distribution licensees/consumers in detail and three amendment orders were

notified in respect of the Recovery of Expenditure Regulations 2004 on 12th May 2005, 25th August 2005 and 19th January 2006.

2.2.2 Karnataka Electricity Grid Code 2005

Electricity Act 2003 mandates the State Regulatory Commissions to specify Electricity Grid Code. Accordingly a draft Grid Code was prepared and circulated among all stakeholders, and experts in power sector inviting comments/suggestions. After receipt of such comments/suggestions, the Commission finalized the Electricity Grid Code -2005, and notified the same on 26.12.2005.

2.2.3 Amendment to Tariff Regulations, 2004

Consequent upon the issue of Tariff Policy by Gol on 6th January 2006, certain amendments to KERC (Tariff) Regulations 2000 were found to be necessary. Accordingly draft amendments were issued during February 2006 calling for objections, views and suggestions from the stakeholders/experts. After considering the views/suggestions of the stakeholders and experts, amendment to KERC (Tariff) Regulations 2000 were issued vide Order no. B/12/01 dated 29.03.2006. The main features of the amendments are as follows:

- a. ESCOMs have been allowed to file their ERCs without insisting on subsidy commitment letters from the Government.
- b. Depreciation rates at the rates prescribed by CERC have been adopted instead of rates specified by Gol in 1994.
- c. Advance against depreciation, to the extent required for debt servicing is allowed.
- d. Return on Equity at 14% has been allowed in place of 12% allowed in the earlier Tariff Order.

2.2.4 Amendment to Open Access Regulations

The Commission had notified the KERC (Terms and Conditions of Open Access) Regulation, 2004 on 24.11.2004 under the provisions of Electricity Act, 2003. In order to comply with the National Electricity Policy, Electricity Rules and the Tariff Policy issued by Gol, apart from difficulties expressed by certain stakeholders in implementing certain clauses in the Regulations, KERC issued certain draft amendment to KERC (Terms and Conditions of Open Access) Regulation, 2004, inviting comments from stakeholders. In response, only KPTCL and BESCOM have furnished comments. After review of these comments, the Commission has issued the Amendment order on 31.05.2006. In the said amendment, the Commission has adopted the cross subsidy surcharge formula as given in the Tariff Policy.

2.2.5 Model conditions of supply

As per clause 7.1 of KERC (Conditions of License for ESCOMs) Regulations 2004, the Distribution Licensees shall submit a draft "Model conditions of supply" along with draft "Standard Agreement" to the Commission for approval within 3 months of the Conditions of License coming into force. To facilitate the Distribution Licensees in this regard, the Commission prepared the draft of "Model Conditions of supply" and circulated the same to the licensees and other stakeholders for obtaining their views/comments. A few stakeholders including ESCOMs sent their comments on the said draft. Some of the important issues covered under the "Conditions of Supply" are:

- a. System and Classification of supply
- b. General procedure for arranging supply
- c. General Wiring Conditions
- d. Power factor of installations

- e. Metering and power supply charges
- f. Rating of installations
- g. Appeals etc

After considering the comments and views from the Licensees and other stakeholders the Commission has approved the "Conditions of Supply" on 31.05.2006.

2.3 KPTCL's Load Forecast

As indicated in the previous Annual report, the report on "Demand Forecast, Demand Supply Scenario and Perspective Plan for the state of Karnataka for the 10th and 11th Plan Period" filed by KPTCL was returned by the Commission in January 2005 with directions to revise the load forecast such that the load forecast is linked to the business plan of the utilities with due firm commitment from the GoK. However, KPTCL is yet to furnish the revised load forecast report and the matter is being pursued.

2.4 Cost of Service (CoS) Studies

Since the Electricity Act, 2003 indicates determination of tariff on the basis of cost of Supply, the Commission had directed ESCOMs to institute necessary studies for implementation of CoS models in order to determine the retail tariff in a scientific manner. BESCO has initiated a study with the assistance of the Consultants and a presentation was also made by the BESCO before the Commission on 19th January 2006. The Commission directed the BESCO to include CoS models in their ERC/tariff filings and also informed other ESCOMs to follow suit. However, none of the ESCOMs came out with CoS models in their ERC filings for FY06 and the Commission also decided to continue with the average cost of supply while determining the tariffs in the Tariff Order 2005 in view

of cross subsidies involved. CoS model has not been included by the ESCOMs in the ERC for FY07 also.

2.5 Order on Additional Fixed charges of Tanir Bhavi Power Company (TBPCL):

KPTCL had filed an application before the Commission on 7-8-03 for approval of enhancement of BST and retail supply tariff consequent on allowing US \$ 0.04 per KWh towards fixed charges payable to Tanir Bhavi Power Company Limited (TBPCL) (now GMR Ltd.) as per Arbitral award dated 19.05.2003. The Commission had disposed of the said application, along with three other applications by a detailed order vide tariff Amendment Order 2003 issued on 15.12.2003. In the said order, the Commission had decided not to allow the additional fixed charges of TBPCL as a pass through in the Tariff. KPTCL/ESCOMs had filed an appeal against this order in the Hon'ble High Court of Karnataka in MFA-481 of 2004. The Hon'ble High court accepted the appeal and vide its judgment of 22.12.2005 set aside the impugned order passed by the Commission and had remitted the matter for re-decision by the Commission.

Accordingly, the Commission held proceedings for re-decision in the matter. Objections were invited on the application, a public hearing was held on 27.02.2006 and the Commission issued the order in this regard on 20th April 2006. In the said order the Commission has again decided not to allow the additional fixed charges for pass through to the consumers in the tariff.

2.6 Introduction of Multi Year Tariff (MYT)

The National Tariff Policy has mandated implementation of MYT for tariffs to be determined from 01.04.2006 onwards. In pursuance of the tariff policy, the Commission issued draft regulations on terms and conditions

of transmission and distribution tariff under MYT framework, and invited comments from the stakeholders and experts on 19th January 2006. Considering the comments and views received in the matter, the Commission has finalized and issued these Regulations on 31.05.2006. According to these Regulations, MYT approach will be implemented in the state from 01.04.2007 and the first control period would be a 3-year period. Under the MYT framework, the Commission will determine the transmission tariff, year wise, for each year of the control period at the beginning of the control period itself. In the case of retail consumer tariff, the ERC/ARR for the control period of the ESCOMs would be approved by the Commission at the beginning of the control period, while the ESCOMs are required to file their application for retail tariff determination in each year. The KPTCL and the ESCOMs are required to make their first ERC filing under the MYT approach in November 2006.

2.7 Discussion paper on “Harnessing Captive power generation” in the State

As envisaged in the National Electricity Policy and the Tariff Policy, surplus capacity available in captive generation should be harnessed to meet the shortages. Therefore, there is a need to propose an appropriate commercial arrangement between the licensee and the captive generator for harnessing spare capacity of CPPs. In this direction, KERC has brought out a discussion paper in April 2006 titled “Harnessing Captive power generation” duly inviting comments /suggestions from all stake holders by 31.05.2006. After receiving the comments/views, the Commission would finalise the order in due course.

2.8 Action plan for implementation of Intra-State ABT

In view of the substantial improvement in the grid discipline noticed after the implementation of the Inter state ABT, and as envisaged in the National Electricity Policy, the Commission has proposed

implementation of intra-state ABT in the state. In this regard, the Commission has issued a paper titled "Action plan for implementation of Intra-State ABT" during December 2005 inviting comments and suggestions from the stakeholders and experts. Responses have been received from various stakeholders /experts and after considering the same, the Commission will issue the order in due course. The Commission has proposed implementation of the intra-state ABT in a phased manner as follows:

Phase 1:

By the end of June 2006

- Providing ABT compliant meters at all interface points including generating stations.
- Impart necessary training.

By the end of September 2006

- Establishing suitable communication network for recording data on real time basis with corporate office ESCOMs/SLDC.

By the end of December 2006

- Setting up of ALDCs in each ESCOMs/Hukkeri Society and up gradation of SLDC

October 2006 to March 2007

- Proxy Implementation. Generators and Licensees to comply with ABT based availability and drawal schedules for half an hour.
- RLDC / SLDC/ALDC to co-ordinate on real time data management.
- Generators and Licensees need not pay as per ABT billing.
- ABT based daily accounting and billing for half an hour.

Phase 2:**April 2007 to September 2007**

- Generators / Licensees to pay ABT charges on half an hourly basis.

Phase 3:**October 2007 onwards**

- Final Implementation of Intra- State ABT.

2.9 Introduction of Competition in Retail tariff:

As mandated in Section 66 of Electricity Act 2003, the Commission felt the need for introduction of competition in retail supply of power. With this end in view, Commission issued a discussion paper on Introduction of competition in Retail supply during August 2005 and invited comments and suggestions on the following:

- a. Should the distribution and retail supply business be separated? If so, should the retail supply business be introduced in phases and what should be the time frame ?
- b. How far the introduction of retail supply business would benefit the consumers?
- c. NEP has defined the minimum area for a second distribution licensee. If retail supply is segregated from wires business, what should be the minimum area?
- d. What are the other alternatives for introducing competition in retail supply of electricity in the existing scenario?
- e. With distribution and supply segregated should the existing consumers be made to pay full cross-subsidy to cover the existing level of cross subsidy or allow them to pay cross subsidy at reduced rates and eliminate the cross subsidy over a given time frame?

Some of the experts advocated introduction of competition in retail supply business. After considering the responses, the Commission took a view that, to bring about real competition in power sector, distribution

wire business and retail supply business have to be separated as this would result in multiple suppliers leading to competition and choice for consumers. It was also felt by the Commission that, separated wires business owned by a Government company would enable non-discriminatory open access to generators, suppliers and consumers.

In this context, the Commission has addressed a letter to MoP, on 3rd January 2006, requesting the Govt to examine the issue further and to amend the Electricity Act appropriately to bring about competition in retail supply.

2.10 Approval of Power Purchase Agreements

2.10.1 PPAs of Non-conventional power projects:

During FY06, the Commission received 62 PPAs pertaining to different non-conventional energy projects as detailed below:

Type of project	Number of PPAs	Capacity in MW
Biomass	-	-
Co-generation	-	-
Mini hydel	1	10
Wind	61	194.05
Total	62	204.05

3.0 REVIEW OF LICENSEE'S OPERATIONS

The Commission has conducted review meetings with ESCOMs as follows during FY06:

Name of ESCOM	Date of Review Meeting
GESCOM	19 th December 2005 at Gulbarga
CESC	13 th February 2006 at Mysore

The Agenda discussed in the review meetings with the ESCOMs generally were as follows:

1. Power supply position
2. Energy Auditing & Loss reduction
3. Automatic Meter Reading (AMR) of HT installations
4. Commercial Loss reduction and Vigilance activities
5. Revenue collection and Arrears position
6. Capital Investment Programme
7. MIS
8. Accidents and Remedial measures
9. Assessment of IP set consumption
10. Distribution transformer failures
11. Status of interface metering
12. Performance of GVPs

Minutes of the meetings were drawn and followed up by the Commission with the ESCOMs for compliance.

3.1 Reporting Formats for Performance Evaluation and Benchmarking

In order to establish baseline values in respect of some important parameters to assess and evaluate the performance of the ESCOMs, the

Commission had finalized Monthly and Quarterly Reporting Formats in consultation with the ESCOMs. The data as per the format is being furnished by the ESCOMs monthly/quarterly.

Status of data received from the ESCOMs is furnished in the following Table:

As on 05.06.2006

Name of ESCOM	Monthly Format	Quarterly Format
BESCOM	Furnished up to Mar 06	Furnished up to IV Quarter of FY 06
MESCOM	Furnished up to Jan 06	Furnished up to IV Quarter of FY 06
HESCOM	Furnished up to Mar 06	Furnished up to IV Quarter of FY 06
GESCOM	Furnished up to Dec 05	Furnished up to III Quarter of FY 06
CESC	Furnished up to Mar 06	Furnished up to IV Quarter of FY 06

The reports are reviewed and comments are being sent to ESCOMs regularly by the Commission. These reports are also discussed in the periodical review meetings with the ESCOMs. Data furnished by the ESCOMs is made available on KERC web site.

3.2 Computerization and MIS in KPTCL/ESCOMs

The Commission is closely following up the Computerization and MIS programme of KPTCL and ESCOMs. The status of computerization and MIS in various ESCOMs is as follows:

a) KPTCL:

KPTCL has installed MS Exchange Project as the software for project management. KPTCL has initiated action to develop necessary software for consolidation of various reports received from all divisions under MS Exchange project.

b) BESCOM

Billing activity has been computerized in all the 96 sub-divisions of BESCOM and the billing data is being made available on the website. Any Time Payment (ATP) kiosks have been installed in BMAZ area. BESCOM is initiating action to extend this to other areas also.

BESCOM has introduced Transformer information management system to monitor the movement of individual transformers, Cash Management system to ascertain day-to-day cash flows and works management system to monitor capital works programmes.

AMR (Automatic Meter Reading) of all HT installations and all LT installations above 40 HP has been initiated and the implementation is in its initial stage. E-tendering has been introduced as a part of e-governance.

BESCOM has also initiated action to introduce HR & payroll software, material management package, financial accounting software and GIS.

c) MESCOM

Out of 37 sub-divisions, MESCOM has initially identified 17 sub-divisions for Computerization of Billing and Collection (B & C). B & C has been completed in 5- sub-divisions as on December 2005 and manual ledgers are removed completely in these divisions. It has also implemented Corporate Performance Reporting System and LT Urban efficiency Improvement package with the assistance of PWC.

MESCOM has installed Personnel and pay roll software in corporate office and is planning to install the same in other O & M divisions. It has initiated action to develop packages for Material Management, Project management and Finance and accounting software.

d) HESCOM

HESCOM has completed computerization of its billing activity in all its 62 sub divisions. E-tendering has been introduced since September 2005. One ATP kiosk has been installed at Tabib land for bill payment on trial basis. It has also hosted its website www.hescom.org.

HESCOM has initiated action for geographical consumer indexing, Material management system, work management system, Transformer management system, online accounts system, Consumer billing on net, legal case monitoring software, document management system, HR & payroll and IVRS.

e) GESCOM

Billing activity has been computerized in all the 40 sub-divisions of GESCOM. HT billing has been centralized. Transformer management system has been installed in Gulbarga division on trial basis. E - tendering has been introduced by GESCOM. IVRS has been introduced in Gulbarga city for complaint handling. GESCOM has a centralized computer-training centre at corporate office to train its employees.

GESCOM has initiated action to introduce Management information system, works management system, Customer relationship management system, Consumer billing and collection on net, cash management system and online accounting system.

f) CESC.

CESC has initiated action to computerize its billing activity, material management and energy audit.

The Commission notes substantial progress achieved by the ESCOMs in computerization and MIS specially in implementing B&C package. The

ESCOMs should complete all the other packages as per the schedule to realize the benefits of computerization and MIS speedily. The Commission would monitor the progress in this regard continuously.

3.3 Interface Metering:

The Commission pursued with KPTCL / ESCOMs for 100% metering of all interface points. During the review meetings with ESCOMs, the importance of interface metering was highlighted. In view of the action plan for implementation of Intra-State ABT, it was emphasized that, recording of input energy to ESCOMs is a basic necessity for proper accounting of energy. Further, in its discussion paper on Intra-State ABT, the Commission has stressed upon the importance to keep all the meters at the interface points in good working condition.

In the Tariff Order 2005, directives were issued by the Commission to KPTCL to furnish a time bound action plan aimed at metering of all interface points and keeping them in good working condition. KPTCL is yet to furnish such an action plan.

The status of interface metering has been constantly monitored by the Commission and observations were brought to the notice of KPTCL for early rectification. As per the data furnished by KPTCL, the number of interface points has increased by 74 Nos. during the year 2005-06. Out of these additional interface points, 54 Nos are at 11 KV level. The following table provides the details of number of interface points between KPTCL and ESCOMs as at the end of March 2006:

Metering Point	Bank IF		EHT			IPP		Total
	11 KV	33 KV	66 KV	110 KV	220 KV	11 KV	33 KV	
BESCOM	479	4	32	0	6	5	0	526
MESCOM	84	27	0	6	1	2	0	120
HESCOM	161	99	1	2	3	1	10	277
GESCOM	119	47	3	9	3	4	9	194
CESCOM	156	5	16	0	0	10	0	187
Hukkeri	4	3	0	0	0	0	1	8
Total	1003	185	52	17	13	22	20	1312

Details of faulty Interface points are as follows as at the end of March 2006

Metering Point	Bank IF		EHT			IPP		Total
	11 KV	33 KV	66 KV	110 KV	220 KV	11 KV	33 KV	
BESCOM	14	0	0	0	0	0	0	14
MESCOM	2	0	0	0	0	0	0	2
HESCOM	1	1	0	0	0	0	0	2
GESCOM	1	0	0	0	0	0	0	1
CESC	1	0	0	0	0	0	0	1
Hukkeri	0	0	0	0	0	0	0	0
Total	19	1	0	0	0	0	0	20

KPTCL has been addressed to take early action to rectify the faulty interface points and furnish a compliance report.

3.4 Review of Energy Audit and Losses

As in the past, the Commission has been constantly monitoring the loss reduction efforts of the utilities. In Tariff Order 2005, the Commission had allowed T&D losses at 26% as against 28.36% proposed by KPTCL/ESCOMs for FY06.

The overall T&D loss as per ERC filing for FY 05 was 25.70% as against actual T&D loss of 27.65% in FY 04(as furnished in annual accounts for FY 04). The transmission loss as filed by KPTCL in ERC for FY 05 is 4.87% as against 6.39% filed in ERC for FY 04. Further, as per the ERC filed by KPTCL for FY 07, transmission loss was estimated to remain at the same level at 4.18% as approved by KERC for FY 05 and FY 06, without further reduction. The actual transmission loss reported by KPTCL for FY 04, FY 05 and FY 06 were 4.87%, 4.18% and 4.12% (up to December 2005) respectively. The Commission, in its Tariff Order April 2006 in respect of KPTCL, has determined transmission losses at 4.06% for FY 07.

The Transmission losses in KPTCL from FY03 to FY07 are as follows:

Particulars	FY 03	FY 04	FY 05	FY 06	FY 07
As per ERC filing of KPTCL	6.39	6.39	4.87	4.87	4.18
As approved by KERC	6.39	6.00	4.18	4.18	4.06
Actual Transmission Loss	6.835	4.87	4.18	4.12*	-

* Upto Dec.2005

The status of ESCOM wise Distribution losses are as follows:

ESCOM	Distribution Loss Level		
	FY 04 as per annual accounts	FY 05 as per ERC filling	FY 06 as approved by KERC *
BESCOM	26.44	23.05	21.00
MESCOM	20.87	21.48	20.50
HESCOM	29.13	27.49	26.37
GESCOM	38.70	37.12	27.05

* Losses in % of input including EHT sales.

The Commission has been monitoring distribution losses in 53 towns and cities having population of more than 50,000 since the last four years. The losses reported in these Towns & Cities of all ESCOMs except those in GESCOM area indicate improvement in reduction of losses. However, the losses in respect of all towns/cities in GESCOM area are more than 15% and this trend is continuing for the last 6 years in spite of continuous

follow up by the Commission. In BESCOM 9 out of the 15 towns/cities monitored have more than 15% loss while in HESCOM 10 out of 16 towns/cities were having more than 15% losses. In respect of MESCOM, during FY06, due to formation of CESC, 5 Towns & Cities, which were earlier under MESCOM, are now coming under CESC. Out of 6 towns/cities of MESCOM, the loss in respect of only one of them is above 15%. In respect of CESC out of 5 towns/cities the loss in respect of only one of them is above 15%.

The status of the loss levels during FY 05 and that during FY06 is given below:

ESCOM	FY05		FY06	
	No. of towns with population of more than 50,000	No of towns where losses are less than 15%	No. of towns with population more than 50,000	No of towns where losses are less than 15%
BESCOM	15	8	15	7
MESCOM	11	8	6	5
CESC	-	-	5	4
HESCOM	16	4	16	10
GESCOM	11	Nil	11	Nil
TOTAL	53	20	53	26

While substantial progress has been made by the ESCOMs to reduce the losses in these towns/cities, the Commission's directive to reduce the distribution losses to a maximum of 15% in all towns/cities with a population of above 50000 is yet to be achieved. In this regard, letters have been addressed by the Commission to all the ESCOMs stating that distribution losses, as per actuals or 15% whichever is less would be allowed in ERCs in future in respect of these towns and cities. Copy of letter annexed vide **Annex No. 3.1**

The Commission, during its review meetings with the ESCOMs has emphasized the importance of energy auditing and reduction in losses. ESCOMs have been directed to conduct intensive exercise to reduce the losses. The Commission's concern on increase in unmetered consumption and slow progress in replacement of faulty meters in some of the ESCOMs has also been brought to the notice of such ESCOMs for necessary action.

MESCOM has informed that it proposes to take up DTC wise energy audit for which it is proposing to float tenders. It is contemplated to provide DTC meters with communication modem for remote automatic meter reading (RAMR) facility. The Commission expects that the MESCOM will take forward the study expeditiously.

The Commission, in its endeavour to reduce T&D losses in the state has formulated a road map for the period FY 04 to FY 12, for reducing the T&D losses from 28% in FY 04 to 15.5% during FY 12. Letter addressed to CEA in this regard is annexed as **Annex No. 3.2**

3.5 Review of Electrical Accidents

1. The Commission while reviewing the electrical accidents occurred during FY06 has observed that the total number of electrical accidents in the state has **decreased by 0.92 %** compared to FY05. The maximum number of accidents (351 nos.) has occurred in GESCOM and minimum number of accidents (153 nos.) has occurred in CESC. The Commission has repeatedly directed the ESCOMs to prepare a time bound "action plan" to carry out remedial measures to bring down the accidents to a minimum. So far, only GESCOM has come out with an action plan and the other ESCOMs are yet to respond.

2. The comparison of ESCOM wise details of accidents occurred during FY05 and FY06 is as follows:

COMPANY	Year	Fatal	Non-fatal	Fatal Animal	Total	Solatum in Rs. Lakhs
KPTCL	FY05	5	25	-	30	-
	FY06	6	24	1	31	0.00
BESCOM	FY05	119	93	87	299	9.07
	FY06	130	64	79	273	82.50
MESCOM	FY05	92	117	146	355	62.44
	FY06	53	71	80	204	4.64
HESCOM	FY05	72	107	131	310	21.28
	FY06	88	82	110	280	46.67
GESCOM	FY05	52	62	196	310	27.62
	FY06	80	61	210	351	1.85
CESC	FY05	-	-	-	-	-
	FY06	59	41	53	153	23.32
TOTAL	FY05	340	404	560	1304	120.41
	FY06	416	343	533	1292	158.98

3. It is seen from the above table that, the number of accidents during FY06 is lower in respect of MESCOM, HESCOM and BESCOM and higher in respect of GESCOM compared to FY 05.
4. The intervention of the Commission In the matters of electrical accidents has resulted in prompt payment of solatium and speedy disposal of investigation by the Chief Electrical Inspector.

3.6 IP sets consumption

1. The estimation of the consumption of IP sets is an important issue, which directly determines the level of losses in the system. The Commission has directed the ESCOMs that, in addition to providing sample metering at DTCs, meters should be provided to individual IP sets under the sample DTCs so that actual LT line loss could be checked and IP set consumption could be computed more accurately. While MESCOM has achieved considerable progress so

far, other ESCOMs have stated that they could not achieve progress in fixing the meters to the IP sets due to resistance and agitations from the farmers.

2. The Commission has estimated the IP consumption for FY06 as 8536.42 MU (without losses) based on the monthly reports furnished by ESCOMs and considering LT line loss as 10%, 7.5%, 7.5%, 8% and 8% for BESCOM, CESC, MESCOM, HESCOM, GESCOM respectively.
3. The specific consumption and the total IP consumption as per monthly reports of the five ESCOMs for FY05 and FY06 are shown in the table below:-

For FY05

Sl.no.	ESCOMs	Specific Consumption in kwh/ip/year	Total consumption of IP sets in M.U.
1	BESCOM	7250	3531
2	MESCOM	4750	1542
3	HESCOM	6722	2609
4	GESCOM	7410	1500
	Total	6548	9182

For FY06

Sl.no.	ESCOMs	Specific Consumption in kwh/ip/year	Total consumption of IP sets in M.U.
1	BESCOM	5823	2885
2	MESCOM	3616	599
3	HESCOM	6668	2642.83
4	GESCOM	7398	1521.33
5	CESC	5109	888.26
	Total	5941	8536.42

From the above, it is seen that the Specific consumption of IP sets in FY06 has **decreased by 9.27 %** and the total IP consumption has **decreased by 7.03%** when compared to the previous year.

3.7 Study on IP sets' consumption:

At present, the ESCOMs are furnishing the assessed consumption of IP sets to the Commission every month based on the readings obtained from meters fixed to the DTCs which are predominantly feeding to IP sets, after deducting the line losses and the metered consumption of non-IP loads. The consumption of IP sets forms a significant portion of total energy consumption in the state. The ERC and Tariff filings are based on the estimated total consumption of IP sets. The quantum of subsidy commitment from GOK is also calculated on the basis of the assessed consumption of IP sets, which forms a significant percentage of the total sales. Doubts have also been expressed by various quarters on the reliability and accuracy of the assessed consumption being arrived at based on sample meter readings. It is generally felt that the consumption of IP sets is being overstated. Therefore, the Commission considered it necessary to have an independent study to validate the IP sets' consumption details being provided by the ESCOMs.

Accordingly, the Commission has entrusted the study on IP sets' consumption to M/S TERI in July 05 after inviting competitive bids and the study is in progress. The study covers 176 DTC metered sampling points in the State, one in each Taluk for a period of 12 months. The respective ESCOMs have to provide the required metering facility. TERI has already completed Identification of DTC points, overseeing fixation and calibration of meters at those DTC points, walk through survey and GPS mapping of the installations coming under such DTCs and have started collecting meter readings from March 06. TERI have already provided GPS mapping details of all the 176 DTC points and one month reading on the IP consumption to the Commission in May 06, which is being analysed. The study is expected to provide more reliable information on the IP consumption and LT losses apart from lot of additional information

on the load factor of IP sets, number of hours of supply, IP consumption pattern area wise, existence of unauthorized installations etc.

3.8 Universal metering programme of GOK

According to Section 55 of the Electricity Act 2003 no licensee shall supply electricity except through installation of a correct meter with effect from 10.06.2005. Therefore, universal metering has become a mandate under the Act. The State Govt had embarked upon universal metering programme in 2002 itself and had directed the ESCOMs accordingly. However, the progress achieved in metering of IP sets and BJ installations is not to the desired level. The progress achieved under universal metering programme as on 31.03.2006 is shown below:-

3.9 Metering of IP sets, BJ/KJ and Street Light Installations as on 31.03.2006 in ESCOMs

Sl. No.	ESCOM	Total no. of IP installations existing as on 31-3-2006	Total no. of IP installations for which meters are fixed as on 31-3-2006	Total no. of BJ/KJ installations existing as on 31-3-2006	Total no. of BJ/KJ installations for which meters are fixed as on 31-3-2006	Total no. of Street Light installations existing as on 31-3-2006	Total no. of Street Light installations for which meters are fixed as on 31-3-2006
1	BESCOM	502352	34241 (6.81%)	360307	204167 (56.66%)	20895	16312 (78.06%)
2	GESCOM	208264	21039 (10.1%)	421921	253387 (60.05%)	7189	7189 (100%)
3	HESCOM	405695	147670 (36.40%)	411723	357930 (86.93%)	11416	11416 (100%)
4	MESCOM	172779	142860 (82.68%)	112662	42970 (38.14%)	9580	9118 (95.17%)
5	CESC	180311	51044 (28.30%)	149865	82897 (55.31%)	12365	6705 (54.22%)
	TOTAL	1469401	396854 (27%)	1456478	941351 (64.63%)	61445	50740 (82.58%)

3.10 Transformer failures:

Details of Transformers failures from FY 03 to FY 06 is as follows:

Sl. No.	ESCOM	FY03	FY04	FY05	FY06
1	BESCOM	14.79%	12.98%	13.27%	12.76%
2	MESCOM	18.32%	17.81%	15.82%	15.42%
3	HESCOM	16.99%	14.94%	15.12%	14.38%
4	GESCOM	NA	16.37%	21.07%	15.64% End of III Quarter
5	CESC	-	-	22.45%	23.94%

The Commission in Tariff Order 2000 had directed that the distribution transformer failure rates should be brought down to 10% in Rural and Urban areas combined. This directive has been reiterated in subsequent Tariff Orders also. It is however seen that none of the ESCOMs have achieved the target so far, although the failure rates have generally decreased in FY 06 compared to FY 05 except in CESC where the failure rate has increased.

3.11 Review of Capital Investment Programme

Capital Investment programme for FY 06

3.11.1 KPTCL

1. KPTCL had proposed Capital Investment of Rs. 900 crores for FY 06, which was approved by the Commission in principle in Tariff Order 2005, subject to approval of individual schemes costing more than Rs. 5 crores.
2. The Commission has conveyed approval to the DPRs in respect of the following individual schemes during FY 06 costing more than Rs.5 crore each:

- a. Establishment of a 110 KV substation at Bhoj in Chikkodi Taluk Belgaum District- Estimated cost Rs. 712.94 lakhs.
- b. Replacement of existing Lynx ACSR conductor by new Lynx ACSR conductor of 110 KV Shahabad-Bagewadi I & II Circuit - Estimated cost Rs. 606.02 lakhs.
- c. Establishment of a 110 KV sub-station at Bevoor in Koppal District- Estimated cost Rs. 599.89 lakhs.
- d. Establishing a 220 KV Sub-station at Yachanahalli in Hassan District- Estimated cost Rs. 2439.07 lakhs
- e. Construction of M/C and D/C line from Antharasanahalli to 66 KV Sira Sub-station- Estimated cost Rs. 1762.52 lakhs

KPTCL had furnished to the Expert Committee, details of expenditure likely to be incurred during FY 06 as noted below:

Sl.No.	Particulars	Expenditure likely to be incurred during 2005-06 in Rs. Crs.
1	Ongoing works taken up prior to 2005-06	364.39
2	Works costing more than Rs. 5 Crs taken up during 2005-06	69.32
3	Works costing Rs. 5 Crs or less taken up during 2005-06	151.15
	Total	584.86

Details of physical progress achieved by KPTCL during 2005-06 is as follows (As on 15.03.2006):

New Sub-stations (As on 15.03.2006)

Sl.No.	Voltage Class	Target for FY 06 in nos.	Actual Achievement in nos.
1	400 KV	-	-
2	220 KV	7	2
3	110 KV	39	14
4	66 KV	54	15
	Total	100	31

Transmission Lines(As on 15.03.2006)

Sl.No.	Voltage Class	Target for FY 06 in nos.	Actual Achievement in nos.
1	400 KV	-	-
2	220 KV	15	5
3	110 KV	40	9
4	66 KV	49	13
	Total	104	27

Augmentation Works (As on 15.03.2006)

Sl.No.	Voltage Class	Target for FY 06 in nos.	Actual Achievement in nos.
1	400 KV	2	1
2	220 KV	5	1
3	110 KV	28	10
4	66 KV	68	31
	Total	103	43

It can be seen from the above that the progress in respect of all categories of work has been extremely poor as indicated in the following Table:

Category	% Achievement
New Sub-stations	31%
Transmission lines	26%
Augmentation works	42%

3.11.2 HESCOM

1. HESCOM had proposed a capital Investment programme of Rs. 335.62 for FY06 crores including Rs. 100 crores towards APDRP works and subsequently revised the programme to Rs. 341.78 Crs, which was approved by the Commission in Tariff Order 2005, subject to the condition that HESCOM shall furnish reports of all works including

APDRP works costing more than Rs. 1 Cr. for the approval of the Commission as per the practice directions.

2. HESCOM vide their letter dated 9th December 2005 submitted eight numbers of DPRs in respect of the following 33 KV sub-stations proposed to be established in HESCOM for the approval of the Commission:

- a. 33 KV sub-station at Hole-Itagi in Gadag District- Estimated cost Rs. 348.97 lakhs.
- b. 33 KV sub-station at Kadalewad in Bijapur District- Estimated cost Rs. 423.06 lakhs
- c. 33 KV sub-station at Katageri in Bagalkot District- Estimated cost Rs. 321.78 lakhs
- d. 33 KV sub-station at Alagawadi in Belgaum District- Estimated cost Rs. 307.10 lakhs
- e. 33 KV sub-station at Kaginele in Haveri District- Estimated cost Rs. 355.95 lakhs
- f. 33 KV sub-station in Aravatagi in Dharwad District- Estimated cost Rs. 235.90 lakhs
- g. 33 KV sub-station at Joida in Dakshina Kannada District- Estimated cost Rs. 339.48 lakhs
- h. 33 KV sub-station at Lakkundi in Gadag District Estimated cost Rs. 269.47 lakhs.

As there were a number of discrepancies in the DPRs, the same were returned to HESCOM vide KERC letter dated 07.02.2006 and compliance is still awaited.

3.11.3 BESCOM

1. BESCOM had proposed a capital Investment programme of Rs. 728.25 crores including Rs. 100 crores towards APDRP works during

FY06 and subsequently revised the programme to Rs.363 crores which was approved by the Commission in Tariff Order 2005. The reduction in the programme is mainly due to deleting a provision of Rs. 389 Crs towards Distribution automation works in Bangalore city stating that the scheme is in very preliminary stage.

2. BESCOM vide their letter dated 28.12.2005 had requested approval of the Commission for taking up the distribution reforms, upgrades, and management (DRUM) project at Doddaballapur Sub-division, at a cost of Rs. 35 crores. The Commission has sought certain clarification from BESCOM in this regard vide KERC letter dated 15.02.2006 which is yet to be complied with.

3.11.4 MESCOM

1. MESCOM had proposed a capital investment Programme amounting to Rs. 360.50 crores during FY06 which was approved by the Commission in Tariff Order 2005 subject to MESCOM furnishing scheme-wise reports of all works including APDRP works costing more than Rs. 1 Cr. for the approval of the Commission as per the Practice Directions issued by the Commission.
2. MESCOM had sought approval in respect Scheme Reports for electrification of 4676 numbers of Hamlets, Harijana Basthies and Janata Colonies under 54 schemes amounting to Rs. 103.39 crores. There were certain discrepancies in the proposal sent by MESCOM. After obtaining necessary clarifications from MESCOM, approval was communicated in respect of 44 scheme reports amounting to Rs. 97.07 crores. The Commission further directed as follows:
 - a) If any of the Hamlets/JC/HBs are away from the existing grid connectivity, in such cases possibility of distributed generation to

electrify such Hamlets/JCs/HBs could be examined if found economically feasible.

b) MESCOM shall endeavour to complete the above schemes within a year. Quarterly progress reports in respect of the above schemes may also be forwarded to the Commission in the formats prescribed in the Practice Directions issued by the Commission.

3. MESCOM had submitted scheme reports amounting to Rs. 1.92 crores for Shimoga Town, Rs. 1.07 Crores for Bhadravathi Town and Rs. 1.78 crores for Chikkamagalore town totaling to Rs. 4.77 crores under APDRP for approval of the Commission, vide MESCOM letter dated 09.06.2005 which has been approved by the Commission. MESCOM has also been informed to claim eligible incentives under the APDRP from MoP towards the loss reduction achieved in respect of works already completed.
4. MESCOM had forwarded a proposal for providing meters to all the DTCs in its jurisdiction at a cost of Rs.41.06 crores for the purpose of energy auditing vide letter-dated 06.01.2005. On seeking certain clarifications by the Commission, MESCOM forwarded revised DPR at a cost of Rs.52.61 crores. When clarification was sought by the Commission for revision in the estimated cost including justification for the proposal, compliance is yet to be furnished by MESCOM.
5. MESCOM had submitted 3 numbers of DPRs in respect of establishing of 33 KV sub-stations with associated lines at Vogga, Kukkipadi and Nellyyadi in Puttur Division, for the approval of the Commission, vide their letter dated 25.10.2005 which has been approved by the Commission.
 - i. Vogga - Estimated cost Rs. 250.00 lakhs
 - ii. Kukkipadi - Estimated cost Rs. 168.50 lakhs
 - iii. Nellyyadi - Estimated cost Rs. 290.00 lakhs

6. MESCOM had submitted DPR amounting to Rs. 26.25 crores in respect of establishing 5 numbers of 33 KV sub-stations etc in Mangalore city vide their letter dated 10.06.2005. On seeking certain clarification by the Commission, MESCOM forwarded revised DPRs on 14.11.2005. Since certain discrepancies still existed in the DPRs, the DPRs were again returned in KERC letter dated 14.12.2005 which are yet to be complied with by MESCOM.

3.11.5 GESCOM

GESCOM has proposed a capital investment Programme amounting to Rs. 330.80 crores during FY06, which was approved by the Commission in Tariff Order 2005 subject to detailed scheme-wise review of works costing more than Rs1 crore.

3.11.6 CESC:

CESC has requested the Commission for approval of the work of electrification of rural households in the districts of Mysore, Mandya and Hassan under Rajiv Gandhi Vidyutikaran Yojana of Government of India as follows:

Mysore	Rs. 37.42 crores
Mandya	Rs. 8.19 crores
Hassan	Rs. 32.54 crores

The Commission has sought certain clarifications from CESC in this regard vide KERC letter dated 04.01.2006 which is yet to be complied with.

An abstract of capital expenditure programme approved by the Commission for FY06 and revised estimate/ actual expenditure for that year as furnished by the ESCOMs in the ERC for FY07 is furnished below:

ESCOM	Capital expenditure Approved by KERC for FY 06 in Rs Crs	Actual Expenditure incurred during FY 06 as furnished in ERC filing for FY 07 in Rs. Crs.
BESCOM	363.00	363.00
MESCOM	360.50	106.46
CESC		126.55
HESCOM	341.78	264.83
GESCOM	330.80	62.01
Total	1396.08	922.85

3.12 Review of DCB of the Licensees

ESCOMs are furnishing monthly DCB statements to the Commission and the same are reviewed periodically and comments are sent to the ESCOMs. The DCBs are also taken up for discussion in the review meetings with the ESCOMs. An abstract of DCB of KEB/KPTCL for the period from 1996 to 2001 and that of the ESCOMs for the period from 2002 to 2006 is furnished below:

Year	Revenue Demand (Rs. crs)	Collection (Rs. crs)	Collection as % of current year's demand
FY97	2314.06	1960.06	84.70
FY98	2788.87	2383.88	85.48
FY99	3201.02	2876.16	89.85
FY00	3480.83	3638.17	104.52
FY01	3790.64	4244.48	111.97
FY02	4529.31	4145.64	91.53
FY03	5257.15	5078.72	96.60
FY04	6031.90	5950.90	98.66
FY05	6751.67	6317.71	93.57
FY06	7576.83	6539.93	86.31

The Commission notes that the collection efficiency during FY 06 has gone down substantially.

ESCOM wise collection efficiency in FY06 including adjustments is as follows:

Rs. In Crs.

ESCOM	Revenue Demand	Collection	Collection as % of current year's demand
BESCOM	4205.70	3708.05	88.16
MESCOM	870.44	805.12	92.50
CESC	695.49	554.31	79.70
HESCOM	1076.28	907.23	84.29
GESCOM	728.92	565.22	77.54
Total	7576.83	6539.93	86.31

ESCOM wise arrears outstanding as at the end of March 06 is given below:

ESCOM	Revenue outstanding in terms of months in FY05	Revenue outstanding in terms of months in FY06
BESCOM	3.12	4.31
MESCOM	3.82	3.21
CESC	-	6.98
HESCOM	6.71	7.87
GESCOM	7.24	8.85

The outstanding have increased substantially in FY06 when compared to the previous year except in MESCOM. The Commission has repeatedly advised the ESCOMs to improve their billing and collection efficiency.

3.13 Petitions and appeals disposed of

A summary of petitions, Review Petitions and Appeals received by the Commission, disposed off during the year and pendency up to March 2006 is given below:

Sl.No.	Nature of Petitions/Review Petitions	Opening Balance	Number of petitions received during the year	No.of petitions disposal	No. of petitions pending as on 31.03.06
1	Petitions regarding back billing, disconnections, repayment of excess security deposits etc.	7	36	15	28
2	Review petitions	4	2	5	1
	Total	11	38	20	29

Details of petitions/Appeals received during the year are shown in **Annex - 3.3** Details of High Court cases where the KERC is a party are shown in **Annex - 3.4**.

3.14 Appeals against the Commission's orders on PPAs

1. PPA between KPTCL and KPCL/VVNL

As indicated in the previous Annual Report, KPCL has appealed to the Hon'ble High Court against the orders passed by the Commission on the approval of PPA between KPTCL and KPCL in respect of (i) RTPS units 1 to 7 (ii) hydro stations and (iii) Almatti Power House project. Similarly, VVNL has appealed to the Hon'ble High Court on the order issued by the Commission in the matter of PPA between KPTCL and VVNL for Yelahanka Diesel Plant. The matter is pending in the Hon'ble High Court.

2. PPA between KPTCL and Jindal Thermal Power Co. Ltd.

The Commission had passed its Order on this matter on 22.05.2002. JTPCL had challenged the Order of the Commission in the Hon'ble High Court vide MFA No.4795 of 2002. The Hon'ble High Court has pronounced the judgment on 08.04.2004 setting aside the impugned order of the Commission. The Commission has filed SLP before the Hon'ble Supreme Court of India and the matter is pending before the Court.

4. ADVISORY COMMITTEE

4.1 Members of the Advisory Committee

During the year, the following Members of the Advisory Committee retired from the Committee with effect from 8th January 2006 in accordance with Section 3(5) of the KERC (State Advisory Committee) Regulations, 2004, on completion of a term of three years as members.

Sl.No.	Name of the Retired Members
1	Sri. Ravi Ganapathi
2	President, KEB Engineers Association
3	M.G. Prabhakar, Member, Energy Committee, FKCCI
4	K.N. Venkatagiri Rao, Balakedarara Vedike, Sagar
5	Director, Confederation of Indian Industries

The Commission appointed the following persons as Members of Advisory Committee with effect from 9th January 2006, in place of the retired Members under the provisions of section 87(1) of Electricity Act 2003, read with regulation 3 of KERC (State Advisory Committee) Regulations, 2004,

Sl. No.	Name of the newly appointed Members	Field of Representation
1	Sri. B. Satyanarayana Udupa, Secretary, Bharatiya Kissan Sangha , Udupi	Consumer/NGO
2	President, KEB Engineers Association	Labour
3	M.G. Prabhakar, Member, Energy Committee, FKCCI	Commerce and Industries
4	K.N. Venkatagiri Rao, Balakedarara Vedike, Sagar	Consumer /NGO

One post of the Member is presently vacant. List of present Members of the Advisory Committee is placed in **Annex- 3.5**

4.2 Brief Account of the Meetings

4.2.1 During the year three meetings of the Advisory Committee were held. In the 12th meeting held on 24th May 2005, the following are some of the important subjects which were discussed:

- Action plan for implementation of National Electricity Policy
 - Open Access, Reduction of Cross Subsidies, capacity building of consumer groups and their effective representation before the Regulatory Commission,.
- ERC & Tariff Filing of ESCOMs for FY 06
- 100% Metering of Consumer Installations
- Time of Day Tariff
- Intra - State Trading
- Technical Up-gradation of SLDC
- Promotion of Co-generation
- Consumer redressal forum
- Updating of Grid Code

4.2.2 In the 13th meeting held on 16th September 2005, the following are some of the important subjects which were discussed:

- ERC & Tariff Filing of ESCOMs for FY 06 - MDs of each ESCOM briefed about their Tariff Filings. Members of Advisory Committee also expressed their opinions.
- Commission expressed concern on
 - theft of energy especially from the unauthorized IP sets and the urgent need for the ESCOMs to curb this menace.
 - As per the Electricity Act, 2003, no installation can be supplied electricity without providing a correct meter and therefore it will be the responsibility of the ESCOMs to meter all the installations.

- GoK has to pay subsidy in advance to the ESCOMs and in case GoK fails to do so, ESCOMs are entitled to charge the normal tariff for the consumers under the subsidized category.
- Commission also sought the opinion of the Members regarding suggestion to levy higher tariffs to consumers in urban centres as they are enjoying better quality supply compared to the consumers in rural areas.

4.2.3 In the 14th meeting held on 6th January 2006, the following are some of the important subjects which were discussed:

- Merits and demerits of conventional electro-mechanical meters and electronic meters.
- Maintenance works, testing of meters etc.

5.0 GENERAL REVIEW OF THE POWER SECTOR

5.1 Status of Karnataka Power Sector

5.1.1 Installed Capacity

The installed capacity in the state and central share allocation to the state as on 01.04.2006 is as follows:

Installed capacity & Share of Karnataka

(MW)

	Hydro	Thermal	Others	Total
KPCL	3376	1598	-	4974
Private Generating Companies		327		327
Cogeneration & Renewables	-	-	761	761
State Total	3376	1925	761	6062
Central Projects Share	-	1487	-	1487
Total	3376	3412	761	7549

Source: Daily Load data sheets of KPTCL

Note: Reduction in private generation is due to closure of the term of PPA with JTPCL.

5.1.2 Energy Availability:

The actual energy availability from the above stations in FY06 is 34367 MU as against the 35324 MU approved by the Commission in the ERC. Energy input in FY06 has increased by 3.80 % over FY05 input of 33110 MU, KPTCL has projected the total energy input requirement for FY07 as 38057 MU.

The Commission had approved the energy input to ESCOMs at the interface point as 33688 MU for FY06. As against this, the ESCOMs have provided the details of actual/revised estimate of energy input at interface points for FY06 as follows in the ERC for FY07:

ESCOM	MU
BESCOM:	15339
MESCOM:	2936
HESCOM:	6461
GESCOM:	4659
CESC:	3273
Hukeri:	166
Total:	32834

For FY07, the input to ESCOMs at the interface points is estimated as 35122 MU as indicated in the ERC of ESCOMs for FY07, which is being validated.

GoK has allocated PPAs of both conventional and non-conventional energy sources to all ESCOMs vide, GoK notification No.EN 45 PSR 2006 dated 22.04.2006. Copy of the GoK notification is annexed in **Annex No. 3.6**

5.1.3 T&D loss: The Commission had approved the total T&D loss for FY06 as 26% in Tariff order 2005. As against the approved transmission loss of 4.18% for FY06, KPTCL has reported the actual transmission loss upto Dec 05 as 4.12%. The Commission has approved the transmission loss for FY 07 as 4.06% in the Tariff Order April 06 of KPTCL.

5.1.4 Regarding the distribution loss for FY06, the Commission had approved the loss as 22.80% with respect to an input of 33688 MUs to ESCOMs. The ESCOMs have estimated the combined loss as 26.27% for FY06 as indicated in the ERC for FY07, which will be validated by the Commission based on the actuals.

5.1.5 Government subsidy to power sector

An abstract of subsidy released by the Government to the power sector for the period from FY00 to FY06 is given below:

Year	O.B.of subsidy due	Provision for subsidy in the approved FRP	Subsidy claimed for the year	Subsidy released by the Government	Balance at the end of the year
1999-00	255.98		1213.09	768.91	700.16
2000-01	700.16	709.00	1820.82	1246.42	1274.56
2001-02	1274.56	1787.70	2231.30	1872.00	1633.86
2002-03	1633.86	1796.50	1903.86	1699.00	1838.72
2003-04	1838.72	1537.50	1623.29	1555.46	1906.55
2004-05	1906.55	928.30	1872.99	935.00	2844.54
2005-06	2844.54	1726.30	**	**	—

** Details awaited

6.0 ACTIVITIES OF THE OFFICE OF CONSUMER ADVOCACY OF KERC

6.1 Introduction

The Office of Consumer Advocacy (OCA) in the KERC was established in September 2001. In the last five years the OCA has undertaken several activities to empower, inform and educate the public in general and the civil society organizations in particular, about the developments in the electricity sector. It is acting as a catalyst to make the consumers participate in the power sector reform process and at the same time act as a countervailing force both on the Licensees and the Regulatory Commission. The OCA believes that the benefits of the reforms and restructuring of the power sector will reach the consumers only when there is effective public participation. Keeping this in view, the OCA has been conducting various activities and events in the last five years

6.2 Consumer Information

Since its inception the OCA has laid emphasis on disseminating information to the public. Informing the consumers about the latest development in the power sector, the various laws, rules and regulations framed under the relevant Acts has been one of the functions of the OCA. The OCA has maintained a Directory of civil society organizations, which is being updated regularly. The number of organizations/persons has increased to 300. The OCA continues to send important documents, draft regulations, news clippings and other materials to these organizations/persons.

The OCA continues to publish two newsletters viz., Consumer Power in English and Vidyut Balakedara in Kannada. These bimonthly newsletters are sent to more than 350 organizations and individuals. Copies are also distributed to participants in workshops, seminars and public outreach meetings. They are also put on the website (www.kerc.org).

Apart from newsletters, the OCA is also bringing out leaflets and Consumer Information Sheets on various topics of interest to electricity consumers.

6.3 Consumer Grievance Handling

Despite the fact that, the Licensees have established their own Consumer Grievance Redressal Forums as required under the Electricity Act 2003 and the Regulations made there under by the KERC, the OCA has been facilitating redressal of consumer grievances. The OCA wishes to keep on record the cooperation of the Licensees in attending to the grievances of consumers forwarded by the OCA.

Upto 31st March 2006, the OCA has received 1010 complaints out of which 780 have been solved to the satisfaction of the consumers. Action is being taken to dispose of the remaining 230 complaints. The details of the complaints handled by the OCA is given below:

Year wise receipt and disposal of complaints

Year	Complaints Received	Complaints Disposed	Balance
1999-2000	95	95	0
2000-2001	133	133	0
2001-2002	132	132	0
2002-2003	248	248	0
2003-2004	189	110	79
2004-2005	123	48	75
2005-2006	90	14	76
TOTAL	1010	780	230

ESCOM-wise receipt and disposal of complaints

ESCOM	Complaints Received	Complaints Disposed	Balance
BESCOM	398	317	81
MESCOM	299	265	34
HESCOM	165	107	58
GESCOM	139	89	50
CESCOR	9	2	7
TOTAL	1010	780	230

Natures of complaints are as follows:

No.	Nature of complaint	No. of complaints
1	Allegation against staff	32
2	Billing	186
3	Accident compensation	53
4	Deposits	81
5	Levy of infrastructure charges	22
6	Irrigation pump set	13
7	Additional Load	10
8	Meter related disputes	28
9	Delay in giving power connection sanction	228
10	Shifting of lines & meters	34
11	Tariff issues	41
12	Tender issues	6
13	Complaint against theft	14
14	Transformer complaints	23
15	Voltage related issues	78
16	Suggestions/Miscellaneous etc.	161
	Total	1010

6.4 Review of Standards of Performance

The KERC has issued Regulations as required under the Electricity Act 2003 regarding the Standards of Performance to be achieved by the Licensees. The OCA is obtaining quarterly reports of Standards of Performance and monitoring its compliance. A consolidated report of the performance of the four Licensees for the period January-June 2005 was prepared by the OCA. It is available in the website (www.kerc.org)

6.5 Public Outreach Meetings

With the objective of informing and educating the public about the activities of KERC, OCA and also to disseminate the various regulations issued by the KERC, the OCA has been holding Public Outreach Meetings in various parts of the State. In some of the places the OCA is conducting these meetings with the help of the member organizations of the Electricity Consumers Network (ECON), Chambers of Commerce, Farmers Associations, Resident Welfare Associations and other consumer

groups. The OCA is also making use of other meetings to highlight the activities of KERC and OCA.

During the FY 06 Public Outreach Meetings were held in Mandya, Chickmagalur and Davanagere. The OCA made a presentation on 'Electricity Reform and Consumer Protection' for the Post Graduate students of Surana College, Kengeri Satellite Town, Bangalore.

6.6 Consumer Representation

The OCA has been supporting civil society organizations by way of technical inputs and documentation to enable them to appear before the Commission on issues of interest to consumers. Besides, the Consultant (Consumer Advocacy) is appearing before the Commission in public hearings wherever consumer interest is involved.

The OCA filed its objection before the Central Electricity Regulatory Commission (CERC) in respect of the power project at Udipi promoted by Nagarjuna Power Company Limited. More than 3000 objectors joined the OCA in this effort.

The OCA appeared before the Commission on behalf of the consumers in the public hearing relating to KPTCL/ESCOM's application for payment of US \$0.04 per Kwh towards fixed charges payable to Tanirbhavi Power Company as per the Arbitral Award. The OCA vehemently argued that the burden should not be passed on to the consumers. The KERC has passed the order rejecting the KPTCL/ESCOM's application.

6.7 Visit to ESCOM

During the year, the OCA along with other officers of the KERC visited the Corporate Office of Chamundeshwari Electricity Supply Corporation,

Mysore. The Consultant (Consumer Advocacy) made a presentation on the Consumer Protection Regulations and highlighted the need for implementing it in the company.

6.8 Progress Report on Work Program for FY 06

The OCA is making all efforts to improve its functioning and enlarge its activities. Starting from January 2006, the bimonthly newsletter 'Consumer Power' and 'Vidyut Balakedara' will be combined and made into a quarterly issue with more information.

The Consumer Information Kit and the Training Module were prepared. With the enactment of the Electricity Act 2003, the draft has undergone some changes and both will be published during 2006-07.

6.9 Future programs

In addition to the above, the OCA would like to organize the following activities in FY07:

1. Workshop on electricity reforms for civil society organizations.
2. Compilation of the important orders passed by the Electricity Ombudsman
3. Training school students about electricity safety in association with CEIG
4. Compilation of the important decisions of Consumer Forums on Electricity

7.0 ACTIVITIES OF OMBUDSMAN

The Karnataka Electricity Regulatory Commission (KERC) is conscious about the redressal of the grievances of the consumers. Apart from establishing the Office of the Consumer Advocacy, the KERC has designated Shri Shaik Ahmed, Secretary of the Commission as Ombudsman as required under Sub-Section 6 of Section 42 of the Electricity Act, 2003. During the year 2005-06, 9 complaints have been received by the Ombudsman against the orders passed by various Consumer Fora established by the Distribution Licensees. All the complaints have been disposed. Further, as required under Rule 7 (4)(a) of the Electricity Act, 2003, the Ombudsman has been reviewing the response of the Licensees in the redressal of the grievances vis-à-vis the Standard of Performance (SoP) specified by the KERC in pursuance of Section 57 of the Electricity Act, 2003. The redressal sought by the consumers across the State from Ombudsman is on the following grievances:

- i) Shifting of obstructing electricity pole to ensure safety.
- ii) Excess collection of amount from the consumer by the Licensee.
- iii) Seeking compensation from the Licensee for the crop loss due to frequent interruption of power supply.
- iv) Claiming interest on excess payment.
- v) Arbitrary disconnection of power supply by the Licensee.
- vi) Levying of penalty on the Licensee by the CGRF in an arbitrary manner.
- vii) Claiming of compensation from Licensee for non-servicing of installation within specified period.

The significant aspect is that the consumers in the remote areas of the State have come to know of the consumer redressal mechanism provided in the Electricity Act, 2003. To further this, the OCA has held meetings with NGOs / Consumer Protection Activists to educate the consumers about the availability of the redressal mechanism.

7.1 Establishment of Consumer Grievance Redressal Forum (CGRF) by Distribution Licensee

As mandated in the Section 42(5) of the Electricity Act 2003, all the Distribution Licensees except Hukkeri Society have established Consumer Grievance Redressal Forum (CGRF). M/s Hukkeri Society have been addressed to comply with the Act immediately.

The status of grievances registered, disposed and pending before the CGRF as on 31.03.2006 are given below:

Name of the Forum	Complaints Registered	Complaints Disposed of	Balance
CGRF, BESCOM	53	48	05
CGRF, MESCOM	02	02	NIL
CGRF, HESCOM	44	35	09
CGRF, GESCOM	28	21	07

8. ADMINISTRATION

8.1 Staff Recruitment

The Commission has appointed the staff on deputation or contract basis. The total working strength of the Commission as on date is 33. At present 22 posts are filled on contract, 9 on deputation basis from Government Departments / Government undertakings / Corporations / Boards etc. and two permanent staff. The particulars of the staff as on 31.03.2006 are as follows:

Sl.No	Name	Designation	Mode of appointment
01	Shaik Ahmed	Secretary	Contract
02	M.Nagaraj	Director (Tech.)	Contract
03	G.S.Shashidhar	Director (Tariff)	Deputation
04	Safiullakhan	Sr. Financial Analyst	Contract
05	B.R.Manjunath	Dy. Director (Demand Forecast)	Deputation
06	P.R.Divakara Naik	Dy. Director (Distribution)	Contract
07	N.Parthasarathy	Dy. Director (Generation)	Contract
08	B.K.Kanvi	Dy. Director (Legal)	Contract
09	S.Chandrashekar	Asst. Secretary	Contract
10	H.S.Sheshadri	TA to Chairman	Deputation
11	K.S.Nagaraj	Accounts Officer	Deputation
12	N.M.Krishnakumar	Asst. Accounts Officer	Contract
13	S.N.Atmaramagowda	Asst. Accounts Officer	Contract
14	K.Sreepada Rao	Office Manager	Contract
15	M.L.Shankaralingappa	Kannada Translator	Deputation
16	S.Krishnamurthy	PS to Chairman	Contract
17	M.Ramu	PS to Member (Tech.)	Deputation
18	G.R.Krishnamurthy	PS to Member I	Contract
19	M.Bharath Kumar	PS to Ombudsman	Contract
20	Smt.Shobha Shivakumar	PA to Secretary	Deputation
21	R.Sheshadri	Stenographer	Contract
22	J.P.Ramesh	Assistant	Deputation
23	B.S.Rathna Kumar	Data Entry Operator	Deputation
24	Kempaiah	Driver	Contract
25	H.Chandrashekar Rao	Driver	Contract

26	Lingaraju	Driver	Contract
27	Manjunath	Driver	Contract
28	Devandan	Driver	Contract

CONSULTANTS:

01	P.N.Lakshmana Reddy	Consultant (Technical)
02	K.Suresh	Consultant (Technical)
03	Y.G.Muralidharan	Consultant (Consumer Advocacy)

8.2 The Commission has also initiated action to have its own regular employees. In this connection following two employees who were working from TECSOK and erstwhile KTL respectively on deputation basis in the Commission, have been absorbed on permanent basis duly obtaining necessary government approval in this regard.

Sl.No	Name	Designation
01	P.R.Gopinath	PA to Chairman
02	K.M.C.Mallikarjuna	Assistant

During the year Sri R. Rangaswamy, Deputy Director (Demand Forecasting) and Sri B. Ramesh, Sr. Economic Analyst were repatriated with effect from 20th July 2005 and 30th December 2005 respectively.

8.3 The Commission had appointed Sri B.T.Jnanaswar as Ombudsman with effect from 10th June 2005. However, he tendered his resignation to the post with effects from 16th September 2005 and in his place Shri Shaik Ahmed, Secretary, KERC has been designated as Ombudsman with effect from 8th November 2005.

8.4 During the year many officers of the Commission were deputed to various seminars/ conferences and training programmes to enrich their knowledge. Particulars of the officials deputed to various programmes are given below:

PARTICULARS OF OFFICIALS DEPUTED FOR TRAINING AND SEMINARS

Sl. No	Name	Designation	Period	Venue	Particulars of the Training / Conference
01	Shri B.Ramesh	Senior Economic Analyst	2/05/05 to 6/05/05	Power Systems Training Institute, Subramanyapura Road, BSK II Stage, Bangalore – 560 070	Training on Power Systems Studies
02	Shri H.S. Sheshadri	Technical Assistant to Chairman	13/08/05 to 5/11/05	Indian Institute of Management, B'lore	Week End Certificate Programme in Finance for Non-finance Executives
03	Shri B.Ramesh	Senior Economic Analyst	18/07/05	PST Institute, Subramanyapur, BSK II Stage, Bangalore –560 070	Power Systems Operations and Controls.
04	Shri. P.N. Lakshmana Reddy	Consultant (Technical)	22/12/05 to 23/12/05	CPRI, Bangalore	Workshop on Power Quality Management
05	Shri. B.R. Manjunath	Dy. Director (DF)	23/01/06	NPTI Corporate Office, Sector 33, Faridabad (Harayana)	National Seminar on Issues in Electricity Regulation
06	Shri. B.R. Manjunath	Dy. Director (DF)	18/01/06 to 20/01/06	ELECRAMA-2006, Mumbai	National Seminar on Best Practices in Distribution Sector
07	Shri H.S. Sheshadri	Technical Assistant to Chairman	21/02/06 to 22/02/06	Indian Habitat Centre, New Delhi	National Conference on Renewable and Regulatory issues
08	Shri H.S. Sheshadri	Technical Assistant to Chairman	6/03/06 to 7/03/06	Institute of Technology, Banaras Hindu University, Banaras	International Conference on Power System Operations
09	Shri. P.N. Lakshmana Reddy	Consultant (Technical)	24/04/06 to 28/04/06	ESCI Campus, Gachi Bowli, Hyderabad	Best Practices in Distribution Loss Reduction.

PARTICULARS OF OFFICIALS DEPUTED FOR COMPUTER TRAINING

Sl.No.	Name	Designation	Period	Venue	Particulars of the Training / Conference
	Shri G.R.Krishna Murthy Shri J.P.Ramesh	Personal Secretary Assistant	Total 60 hours on the basis of 2 hours per day	APTECH Computers Education, #21/1, AM Plaza, Plain Street, Behind Hotel Harsha, Shivajinagar, B'lore – 560001	Basics of Computers including basic hardware and connection to CPU – MS Office etc.

9. FINANCE AND ACCOUNTS

9.1 Grants Received from the Government during Financial Year 2005-06

The State Government has provided a Grant of Rs. 206.00 lakhs in the Budget for the Financial Year 2005-06. However out of Rs.206.00 lakhs, Rs.179.43 lakhs only has been drawn from the Government. The Commission had an unspent balance of Rs. 74.19 lakhs at the commencement of the financial year 2005-06 and thus the amount that was available during the FY 2005-06 was Rs. 253.62 lakhs.

The following table shows the comparison of budget estimate and actual expenses for FY06

Rs. in lakhs			
Major expenditure head	Budget estimate	Expenditure for FY 06	Variation
Establishment expenses	95.90	89.87	6.03
Office expenses	86.45	128.94	(-) 42.49
Office set up expenses	23.65	24.97	(-) 1.32
Total	206.00	243.78	(-) 37.78

The expenditure of Rs.243.78 lakhs was met out of the amount available as above and the closing balance at the end of FY 06 was Rs. 9.84 lakhs in the permanent imprest account.

9.2 During FY 06, a sum of Rs.325.33 lakh has been received towards Licensing Fee and Miscellaneous Receipts of which Rs 208.23 lakhs has been credited to Government during FY 06 and the remaining amount of Rs.117.10 lakh is yet to be remitted to Government. Thus the total balance amount available with the Commission as on 31.03.2006 was Rs. 126.94 lakhs.

10. PROGRAMMES FOR THE YEAR AHEAD (FY 07)

The proposed action plan of the Commission for FY07 is as follows:

10.1 ERC of ESCOM/Hukkeri Society and Tariff Order

ESCOMs have filed their ERCs and Tariff filing for FY 07 during 2nd week of May 2006. The Commission decided to evaluate the ERC and Tariff filing through external consultants as one time exercise. After inviting competitive bids, the work has been awarded to M/s ASCI Hyderabad. The Commission has taken up the ERCs/tariff filing for preliminary verification. After following the prescribed procedure for evaluation of the ERCs including holding public hearing etc, the Commission will issue the orders on the ERCs in due course.

10.2 ERCs under the MYT framework

According to the MYT Regulations issued by the Commission, the licenses are required to file their ERCs under the MYT framework for the first control period of 3 years commencing from FY08 to FY10 before the end of Nov 2006. The Commission expects that the licensees would make their filings in time. As per National Tariff Policy, para 8.2.2, the State Regulatory Commission has to undertake independent assessment of baseline data for various parameters for every distribution circle of the Licensee and this exercise should be completed by March 2007. In this direction, the Commission proposes to institute necessary studies to assess the baseline parameters early.

10.3 Third Party Evaluation of Energy Audit

As per the National Tariff Policy, para 8.2.2, the Commission has to adopt third party verification of Energy Audit Results in respect of different

areas/localities to impose specific surcharge for greater ATC loss levels that could in turn generate local consensus for effective action for better governance. The Commission proposes to institute necessary studies for evaluation of energy Audit Results during the forthcoming year.

10.4 Determination of Trading Margin

As per the Electricity Act 2003, the Commission has notified KERC (Eligibility conditions and Duties of Electricity Trader) Regulation 2004. Further as per the Electricity Act, 2003, the Commission has to determine the trading margin for electricity traders. Even during 2005-06, the Commission has not received any application for Trading license. CERC has already notified the trading margin and the Commission would adopt the same for the present.

10.5 Discussion paper on 'Promotion of waste-to-energy Projects' in the State

In accordance with the environmental issues addressed in the National Electricity Policy, the Commission has brought out a discussion paper on 'Promotion of Waste-to-Energy Projects' in the state. It is emphasized on the six major municipal corporations that account for large volumes of solid municipal waste to take a lead role in setting up power plants utilizing waste as input fuel. The paper throws light on developments in other states and tariff approaches made by other state regulators. The Commission, with an aim of determining a common approach on tariff for such projects, has invited comments/suggestions on the discussion paper by 31.05.2006. The main issues of this paper were also published in the print media. The Commission would finalise this paper in due course.

10.6 Load Forecast

During the previous year, the Commission had returned the long term Load forecast furnished by KPTCL with an observation to link the forecast with the business plan of the utilities with due firm commitment from the GoK. So far, there has been no response from KPTCL. As load forecast is an important document the Commission would pursue in the matter.

10.7 Study on IP sets' consumption:

As discussed earlier, the Commission has instituted a 'Study on computation of IP sets consumption based on DTC metered sampling points" engaging the services of M/s TERI. The Commission has been coordinating the study with the ESCOMs and TERI. Meters have been fixed to all the 176 sample points and reading cycle has started and the initial reports are being received. The Commission would analyse the reports and utilize the results for assessment of un-metered IP installations, assessment of losses and related matters which would be useful to set the benchmarks.

10.8 Standardizing wheeling and banking agreement format:

During the previous year, the Commission has determined tariff for various categories of NCE projects and has standardized PPA formats for such NCE projects. The Commission proposes to standardize the Wheeling and Banking agreement formats for open access transactions.

10.9 Road map for Reduction of Cross-Subsidies

As per the National Tariff Policy, para 8.3.2, the Commission has to notify a roadmap within six months with a target that, latest by the end of the year 2010-11, tariffs are within +/- 20% of the average cost of supply. In

this regard, the Commission has addressed a letter to the GoK to indicate the subsidy reduction roadmap in the case of BJ and IP installations and response from GoK is awaited. The Commission proposes to set the roadmap for reduction of subsidies as mandated under the Act during the year.

10.10 Discussion Paper on " Harnessing Captive Power Generation"

In its efforts to utilize surplus power with captive power generators in the state, the Commission has brought out a discussion paper on "Harnessing Captive Power Generation" inviting comments/suggestions from stakeholders and experts in the field before 31.05.2006 regarding the power procurement approach, applicability of UI charges and tariff. The Commission would finalise this paper in due course after receiving the comments.

11. ಆಯೋಗದಲ್ಲಿ ಕನ್ನಡ

ಕರ್ನಾಟಕ ವಿದ್ಯುಚ್ಛಕ್ತಿ ನಿಯಂತ್ರಣ ಆಯೋಗವು, ತನ್ನೆಲ್ಲಾ ವ್ಯವಹರಣೆಗಳನ್ನು ಕನ್ನಡ ಮತ್ತು ಇಂಗ್ಲೀಷ್ ಭಾಷೆಗಳಲ್ಲಿ ನಡೆಸುತ್ತಿದೆ. ವಿದ್ಯುಚ್ಛಕ್ತಿ ಅಧಿನಿಯಮ, 2003 ಜಾರಿಗೆ ಬಂದ ನಂತರ ಹೊಸದಾಗಿ ಸಿದ್ಧಪಡಿಸಲಾದ ಅನೇಕ ವಿನಿಯಮ, ಸಂಹಿತೆ ಹಾಗೂ ಗುಣಮಟ್ಟಗಳನ್ನು ಕನ್ನಡಕ್ಕೆ ತರ್ಜುಮೆಮಾಡಿ, ಮುದ್ರಿಸಿ, ಪ್ರಕಟಿಸಲಾಗಿದೆ.

ಆಯೋಗವು ಹೊರಡಿಸಿದ ವಿದ್ಯುತ್ ದರ ಆದೇಶ, 2005, ಹಾಗೂ ಕ.ವಿ.ಪ್ರ.ನಿ.ನಿ.ಕ್ಕಾಗಿ ವಿದ್ಯುತ್ ದರ ಆದೇಶ, 2006 ಗಳನ್ನು ಕನ್ನಡಕ್ಕೆ ಭಾಷಾಂತರಿಸಿದ್ದು ವೆಬ್ ಸೈಟಿನಲ್ಲಿ ಅಳವಡಿಸಲು ಕ್ರಮಕೈಗೊಳ್ಳಲಾಗಿದೆ.

ಎಂದಿನಂತೆ, ಆಯೋಗದ ವಾರ್ಷಿಕ ವರದಿ ಸೇರಿದಂತೆ ದೈನಿಕವಾದ ಅನೇಕ ವ್ಯವಹರಣೆಗಳನ್ನು ಕನ್ನಡಕ್ಕೆ ಭಾಷಾಂತರಗೊಳಿಸಲಾಯಿತು.

ಏಳನೆಯ ವಸಂತದಲ್ಲಿರುವ ಆಯೋಗದ ಚಟುವಟಿಕೆಗಳು ಇಡೀ ನಾಡಿನಾದ್ಯಂತ ಪ್ರಸಾರಗೊಳ್ಳಲು ಮುದ್ರಣ ಮತ್ತು ವಿದ್ಯುನ್ಮಾನ ಮಾಧ್ಯಮದ ಪಾತ್ರ ಬಲು ದೊಡ್ಡದು. ಹೀಗಾಗಿ, ಆಯೋಗವು ಸುದ್ದಿ ಮಾಧ್ಯಮಕ್ಕೆ ಆಭಾರ ಸಲ್ಲಿಸುತ್ತದೆ.

Annex - 1.1
Organisational Chart

Annex-3.1**I/07/02/1897****Date: 16.12.2005****The Managing Director,
KPTCL/All ESCOMs.****Dear Sirs,**

Sub: Distribution Losses in 53 Towns and Cities taken up for Energy Auditing.

Ref : 1. T.O Letter No. I / 07 / 02 /1906 dated 28.11.2004

2.T.O Letter No. I / 07 / 02 /1682 dated 14.11.2005.

While Inviting your attention to the above subject and letters under reference, the Commission reiterates that the Distribution losses in Towns and Cities need to be reduced.

As per the Commissions Order dated 28.11.2004, "only a maximum of 15% distribution loss or the actual if the loss is less than 15% would be allowed in respect of 46 towns / cities (subsequently revised to 53 towns & cities) to be passed on to the final consumer tariff in the next tariff revision".

Further, in the Tariff Order 2005, directives were issued to bring down losses to below 15% in a time bound manner. In this regard, the Commission had addressed all ESCOMs vide Ref no. (2) above, to review the steps being taken and furnish a status report within 15th December 2005. The same is not yet received by the Commission.

Now, I am directed by the Commission to inform you that, **distribution losses, as per actual or 15% whichever is less would be allowed in ERCs in future in respect of the above said towns & cities.**

Yours faithfully,

For Karnataka Electricity Regulatory Commission,

Sd/-
Secretary

CC to PS to Chairman / Member I/ Member II

Annex-3.2

I/07/02/1214

Dated 23rd August 2005

The Director (DMLF),
Central Electricity authority,
Sewa Bhavan,
R.K.Puram,
New Delhi-110066

Sir,

Sub: 17th EPS for forecasting electricity demand of the country

Ref: 1. Letter No.CEA/PLG/LF/2/17EPS/318-336 dated 3.3.2005 of CEA

2. This office letter No.I/07/02/419 dated 24.3.2005

3. Your Letter No. CEA/PLG/LF/2/17EPS/929 dated 26.5.2005.

In continuation of this office letter cited above, I am directed to furnish the roadmap for reduction of Transmission & Distribution losses in Karnataka system, for the period from FY04 to FY12 as follows:

Road Map for reduction of T & D Losses	FY04 (%)	FY05 (%)	FY06 (%)	FY07 (%)	FY08 (%)	FY09 (%)	FY10 (%)	FY11 (%)	FY12 (%)
	28	27	26	24	22	20	18.5	17	15.5

The roadmap for the long term forecast i.e., upto 2021-22 will be furnished in due course.

Thanking you,

Yours faithfully.

For Karnataka Electricity Regulatory Commission

Sd/-

Secretary

Copy for information and needful to

The Managing Director, KPTCL Kaveri Bhavan, Bangalore-560 009.
The Managing Director
BESOCM/MESCOM/CHESCO/HESCOM/GESCOM/Hukeri Society
Bangalore/Mangalore/Mysore/Hubli/Gulbarga/Hukeri

Annex - 3.3**Details of Petitions/Review petitions received in the Commission**

Sl. No.	Case Number	Date of Filing	Parties	Subject in Brief	KERC Order Date	Brief Details
ORIGINAL PETITIONS						
1.	OP 10/05	31-5-2005	M/s. Ravi Industries, Bangalore Vs. MD, Bescom and another	BBC	Pending	---
2.	OP 11/05	12-5-05	Kudremukh Iron Ore Company Limited, Vs. KPTCL & others	Wheeling & Banking Agreement	24-11-05	The Petition was allowed
3.	OP 12/05	10-6-05	Mittal Tower Commercial Complex Vs. MD, Bescom & others.	BBC	2-2-06	The Petition was allowed
4.	OP 13/05	16-6-2005	Sri Kanavi Veerabhadreshwar Trust, Vs. MD, Hescom and others	BBC	Pending	
5.	OP 14/05	1-7-2005	H.R. Dhanaramsingh Vs. MD, Bescom and others	BBC	Pending	
6.	OP 15/05	29-6-05	SCM Sugars Vs. MD, KPTCL.	Upgrade the evacuation lines	Pending	
7.	OP 16/05	20-7-05	M/s. Global Energy Vs. MD, KPTCL	Sale of Electricity generated to third party	24-11-05	The petition was disposed off as withdrawn
8.	OP 17/05	7-7-05	Nuziveedu Seeds Vs. MD, KPTCL	Release the payment for the energy supplied during the period of replacement process	Pending	
9.	OP 18/05	7-7-05	M/s. Koppal Green Power Limited Vs. MD, KPTCL and another	PPA	29-12-05	The petition was disposed off
10.	OP 19/05	21-7-05	Sri Chitrashekhar Vs. MD, Bescom and others	BBC	Pending	
11.	OP 20/05	28-7-05	M/s. Graphite India Limited Vs. MD, KPTCL and another.	Wheeling & Banking Agreement	2-3-06	The Petition was disposed off.

12.	OP 21/05	29-7-05	Smt. Meenakshi, V/s. MD, BESCOM and others	BBC	Pending	
13.	OP 22/05	4-8-05	Secretary, Godi Parswanatha Jain Mandir, Chitradurga. V/s. MD, Bescom and others	BBC	23-3-06	The Petition was allowed
14.	OP 23/05	12-9-05	M/s. Nuziveedu Seeds, V/s. MD, KPTCL.	PPA	Pending	
15.	OP 24/05	7-10-05	M/s. Nuziveedu Seeds, V/s. MD, KPTCL.	PPA	Pending	
16.	OP 25/05	7-10-05	M/s. Nuziveedu Seeds, V/s. MD, KPTCL.	PPA	Pending	
17.	OP 26/05	8-10-05	M/s. R.K. Powergen Vs. MD, KPTCL	Reg. Disobedience of order	23-3-06	The petition was allowed.
18.	OP 27/05	28-10-2005	Sri Ramachandra Rexins Vs. MD, Bescom and another	Reg. Power supply	Pending	
19.	OP 28/05	3-11-2005	Sri Puttamadaiah A.S. V/s. MD, Bescom and others	BBC	Pending	
20.	OP 1/06	16-12-05	Sagar Power Private Limited and 3 others V/s. MD, GESCOM and another	Amendment of Tariff for minihydel stations	Pending	
21.	OP 2/06	16-12-05	AMR Power Limited V/s. MD, Gescom and another	Amendment of Tariff for minihydel stations	Pending	
22.	OP 03/06	16-12-06	Nirmala Power Private Limited V/s. MD, Gescom and another	Amendment of Tariff for minihydel stations	Pending	
23.	OP 04/06	16-12-05	Bhadragiri Power Private Limited, V/s. MD, Gescom and another	Amendment of Tariff for minihydel stations	Pending	
24.	OP 05/06	18-1-06	Sri H. Shanthamuniyappa V/s. MD, Bescom and others	BBC	Pending	
25.	OP 6/06	18-1-06	Sri M. Venkataramaiah V/s. MD, BESCOM and another	BBC	Pending	

26.	OP 7/06	27-12-05	Genesys Multitech V/s. MD, BESCO and others	BBC	Pending	
27.	OP 8/06	22-12-05	Ashok Pascal noronha V/s. MD, Mescom and others	Change of tariff	Pending	
28.	OP 9/06	27-1-06	Sri R.K. Powergen V/s. MD, KPTCL	PPA	23-3-06	The Petition was allowed
29.	OP 10/06	25-1-06	M/s. Shamanur Sugars V/s. MD, KPTCL and others	PPA	Pending	
30.	OP 11/06	25-1-06	M/s. Shamanur Sugars V/s. MD, KPTCL and others	PPA	Pending	
31.	OP 12/06	8-2-06	Madras Cements V/s. KPTCL and others	Open Access	Pending	
32.	OP 13/06	6-3-06	Renewable energy developers association V/s. MDs of all escom.	Tariff fixation for mini hydel project	Pending	
33.	OP 14/06	14-3-06	M/s. Nuzivedu Seeds V/s. MD, KPTCL and another	PPA	Pending	
34.	OP 15/06	7-3-06	Srinivasamurthy and two others V/s. MD, Bescom and others	Reg. Compensation	Pending	
35.	OP 16/06	7-3-06	Smt. Jayalakshamma W/o Sri Srinivasamurthy V/s. MD, Bescom and others	Reg. Compensation	Pending	
36.	OP 17/06	7-3-06	Kumari Sunitha D.S. D/o Sri Srinivasamurthy V/s. MD, Bescom and others	Reg. Compensation	Pending	

REVIEW PETITIONS

1.	RP 06/05	6-4-05	M/s. Renewable Energy Developers Association.	Review of Tariff Order Dated 18-1-05	20-7-05	The review petition was Dismissed
2.	RP 01/06	15-2-06	Sri A.C. Bellad V/s. MD, Hescom and others.	Review the order dated 25-11-05 in OP No. 8/05	Pending	

Annex - 3.4**HIGH COURT CASES WHERE THE KERC IS A PARTY**

Sl.No.	No.	Between	In the matter of	Remarks
1.	WP No.30649/2000 C/W, 30627/2000, 30628/2000 and 30629/2000 (GM-KEB)	I) In W.P.No. 30649/2000 Kirloskar Electric Co. Ltd. II) In W.P.No. 30627/2000 Goetze (India) Financial Services Ltd. III) In W.P.No. 30628/2000 Jindal Aluminium Ltd. IV) In W.P.No.30629/2000 Indowind Energy Ltd. Vs. 1) State of Karnataka, Dept. of Energy. 2) KPTCL 3) KERC 4) Karnataka Renewal Energy Dev. Ltd. 5) Union of India, Ministry of Non Conventional Energy Sources (Respondents are all common in all the above W.Ps.)	Against KPTCL's letter dated 2.9.2000 regarding increasing the wheeling charges from 2% to 20% of the energy generated and transmitted.	Pending before the High Court. 1)Statement of objection filed on behalf of KERC. 2) The interim order passed on 6.11.2000 to collect wheeling charges at 10%. 3)Vakalath filed, 4)In W.P.No.30649, the Petitioner made the KERC as a party at the time of filing the Writ Petition and notice is not received either by KERC or by Advocate.
2.	WP No.12426	Shri G.P.Shivaprakash Vs. 1)The State of Karnataka, Dept. of Energy, 2)KERC, 3)KPTCL, 4)Suptd. Engineer, Bangalore Circle (North), KPTCL, B'lore.	Declaring Section 9.02 and 9.04 of the ES & D Code as un-constitutional. Direct Respondent 3 & 4 to accept the development charge.	Pending before the High Court. The Hon'ble High Court in its order dated 26.4.02 on IA 2 filed by the petitioner directed the respondents 3 & 4 to give necessary electricity connection. The payment now made by the Petitioner pursuant to Annex.A shall be subject to the result of the W.P. Question of payment of interest by KERC in the event of the petitioner succeeds in the W.P. The said point is kept open. Vakalath served on 16.4.2002, 2)Notice has been received by KERC on 2.4.02. 3)Vide our office letter dated 5.7.02 we had requested the

				Advocate to bring the order dated 19.1.2001 passed in W.P.No.27938/96 at the time of hearing the petition.
3.	MFA No.4795/02 SLP No. 23793/04	M./s Jindal Thermal Power Co. Ltd. Vs. 1)KPTCL, 2)Govt. of Karnataka, Energy department	PPA	Special Leave Petition filed before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court of India in its order dated 28-3-05 requests the Hon'ble Chief Justice for listing the matters before an appropriate larger bench. All the questions to be raised by either of the parties and reliefs claimed or left open.
4.	MFA NO.4274/02	1)Sri C.V.Gopala Krishna, 2)Shri D.Bheema Bhat, 3)Sri M.Venkatakrishna, 4)Sri K.Venkatramana Bhat Vs. 1)KERC, 2)KPTCL, 3)MESCOM.	Quash the Tariff Order dated 8.5.2002 passed by Respondent 1 (KERC) and in the alternative amended Tariff approved under section 27 (10) of the KER Act. 1999 2)IA I filed for staying the operation of the order dated 8.5.2002 in respect of LT2A i.e. AEH category and LT4 category i.e. applicable to agricultural pump set category.	Notice received on 5.9.2002. Vakalath filed on 26.9.02. Pending for hearing.
5.	MFA NO.5185/02 (N/09/02 OP No.6/2002)	Secretary, BWSSB Vs. KPTCL	MFA filed against the order dated 7.6.2002 passed in case No.OP 6/2002 upholding the decision of the respondent to levy Electricity charges under Tariff Reading HT 2(a) of KERC Tariff Order 2000 for the Sewage Treatment Plants of the Appellant. IA I filed praying to	High Court Order dated 2.9.2002 directed the Respondent not to disconnect the electricity supply for non payment of disputed electricity charges on IA 1. The High Court in its letter dated 17.9.2002 has requested this office to send entire records in OP No.6/2000 for which we have sent the entire records to the said court on 4.10.2002. Except this we have not received any MFA record or notice.

			restrain the Respondent from taking any action for recovery of the disputed the dues including disconnection of electricity of the Appellant	
6.	MFA No.6225/02	KPCL Vs. 1)KERC, 2)KPTCL	Set aside the order dated 25.7.02 of the Commission	Case is pending for hearing.
7.	WP No. 1898/03 (GM-KEB)	Shri P.Bhaskar Vs. KPTCL and others	Sanction of additional power supply. Quash the impugned order dated 4.10.2002	Notice received on 6.2.2003. Copy of petition and vakalath sent to Advocate on 20.2.2003. Vakalath filed in Court on 21.2.03. Case is pending.
8.	MFA No. 1557/03	BESCOM Vs. KERC	Special Scheme	Notice along with petition received from the High Court on 24.3.2003. Vakalath along with petition sent to Dua Associates on 28.3.2003. The Hon'ble High Court has passed the order on I.A. No.1 dated 29.4.2003 staying the direction issued to the Appellant by the Commission will be in force for a period of 8 weeks. The Hon'ble High Court in its order dated 23.7.03 has continued the stay till further orders.
9.	MFA 3457/2003	KPTCL and other four Companies Vs. KERC	Challenging the Order of the Commission in RP No.3/2003 dated 9.5.2003.	Copy of MFA received from the KPTCL Advocate on 16.6.2003. Vakalath along with copy of MFA sent to Dua Associates on 18.6.2003. Vakalath filed on 23.6.03.
10.	MFA No. 3169/03 (RES)	Shri C.V.Gopala Krishna Vs. KERC	Setting aside the order dated 10.3.2003	Notice dated 30.7.03 along with petition received from the High Court and Vakalath sent to Dua Associates on 20.8.03. Vakalath filed on 28.8.03.
11.	MFA No. 3725/03 (RES-)	KPTCL Vs. Shri Y.G.Muralidharan, Consultant (CA), KERC, Bangalore	Setting aside the order dated 27.3.2003 passed in OP 24/2002.	Copy of petition, notice and vakalath sent to Dua Associates on 5.9.03. Vakalath filed on 9.9.03
12.	MFA No. 4256/03 (RES)	KPCL Vs. KERC	Setting aside the impugned order dated 10.4.03 passed by the	Copies of petition, notice and vakalath sent to Shri B.N.Prakash, Advocate on 24.11.03. Vakalath filed by the

			Commission.	Advocate. Objections to be filed. Case is pending.
13.	WP No.2656/2004 (GM-KEB)	Energy Development Company, Harangi Vs. State and others	Regarding PPA	Copies of Notice, Petition and Vakalath sent to Dua Associates on 9.2.2004. Vakalath filed on 17.2.04. Reply to the petition sent to Dua Associates on 14.6.04. The Hon'ble High Court has passed an Interim Order dated 25.6.04 directing the petitioner to supply power at the rate of Rs.2.90 per KW - hour which amount has been suggested by the 2 nd Respondent in Annex A and the petitioner shall supply the power to the 2nd Respondent subject to result of WP. The power to be supplied by the 2nd Respondent will be subject to the back down of generator if it is ordered on account of the system constraints by the second respondent. Case is pending.
14.	WP No.51658/582-83/2004 (GM-KPTCL)	M.B. Lakshman and others Vs. KERC and others	Quashing the Tariff Order 2002	Copy of Petition and Vakalath sent to Dua Associates on 19.2.2004. Case is pending.
15.	MFA No.8675/2003 (KERC)	MD, BESCO Vs SBI, Bangalore and another	Setting aside the order dt.7.11.2003 passed in OP No.35/2003	Copy of Petition and Vakalath sent to Dua Associates on 27.2.2004. Vakalath filed on 1.3.04. The Hon'ble High Court in its order dated 24.6.2004 has stayed the operation of the order dated 7.11.2003 passed in OP No.35/2003 (SBI). Case is pending for final disposal.
16.	MFA No.8370/2003 (KERC)	M/s Visveswaraya Vidyuth Nigam, DG Plant Yelahanka Vs. KERC and another	Setting aside the order dated 10.10.03 passed by KERC	Copy of Notice, Petition and Vakalath sent to Shri B.N.Prakash on 10.3.2004. Vakalath filed. Objections to be filed. Case is pending.
17.	WA No.7687/2003 (GM-KEB)	M/s KPTCL Vs. KERC & another	Setting aside the order dated 12.9.03 passed in WP No.11771/2001 (GM-KEB) by the learned single	Copy of the Notice, Petition and Vakalath sent to Dua Associates on 11.3.2004. Vakalath filed on 17.3.04. Case is pending.

			Judge.	
18.	MFA No.6891/2002 (RES)	Shri Narasimha Nayak, Secretary, Thirthahalli Tq. Niravari Pump set Balakedarara Sangha Vs. KPTCL and another	Setting aside the Tariff Order 2000 dated 8.5.2002	Copy of Notice, Petition and Vakalath sent to Dua Associates on 24.3.2004. Vakalath filed on 27.3.04. Case is pending.
19.	MFA 5640/2003 (RES)	Bhoruka Power Corporation Vs KERC and others	Determination of wheeling charges at para 13.24.2 of Tariff Order 2003	Copy Notice, Petition and Vakalath sent to Dua Associates on 1.4.2004. Vakalath field on 2.4.04. Case is pending.
20.	WP 10168/2004 (GM-KEB)	BESCOM Vs. Arpee Electricals & another	Setting aside the order dated 8.1.2004 passed in OP No.32/03	Vakalath, copy of petition, interim order and notice sent to Dua Associates on 12.4.2004. The Hon'ble High Court in its order dated 29.3.2004 has granted interim stay of Annex.C dated 8.1.2004 passed by KERC in Case No.OP 32/2003. Vakalath filed on 15.4.04. The Hon'ble High Court has granted the interim order on 29.3.04. The Advocate filed an IA No.1/04 for Respondent No.1 (Arpee Electricals) for vacating interim order dated 29.3.04. The Hon'ble Court in its order dated 22.6.04 has rejected the interim order and granted to continue the interim order.
21.	WP No.26853/2004 (GM-KEB)	The Godavari Sugar Mills Ltd., Mumbai Vs. KPTCL and others	Regarding PPA dated 8.9.99	Vakalath along with copy of petition sent to Dua Associates on 12.7.2004. The Hon'ble High Court in its order dated 22.7.2004 directed R1 to restore grid connection to the generating plant of the Petitioner and continue to receive supply of electricity from the Petitioner generating plant subject to the back down of generator if it is ordered on account of the system constraints subject to the result of this petition, Respondent shall pay the electricity charges at the rate of Rs.2.80ps per KW hour and the petitioner is entitled for the higher cost. Respondent shall pay the same. Two weeks

				time is granted to file counter. The petitioner has filed I.A. to the Hon'ble High court to receive the KERC (Power Procurement from renewable sources) i.e., Annexure Z-8 and the order dated 18-1-05 passed in S/03/1/682 as Annexure Z-9 passed by the Commission.
22.	WP No.37302-37307/2004 (GM-KEB)	Shri K.Nagaraj, Challakere & 5 others Vs. AEE (Ele.), Challakere & other	Not to disconnect the power supply	Copy of petition and vakalath sent to Dua Associates on 5.10.2004.
23.	MFA No.7220/02 & MFA No.5588/03	Bharatiya Kisan Sangha, U.K. & another Vs. KERC & others	Set aside the Tariff Order 2002 & 2003	Vakalath sent to Dua Associates on 11.1.2005.
24.	MFA No.4257/03	KPCL Vs. KERC & another	Set aside Para No.7.8 of the Commission's Order dated 10.4.03	Vakalath along with copy of the petition with enclosures sent to Shri B.N. Prakash, Advocate on 18.2.2005.
25.	WP No.3224-3226/05 (GM-KEB)	Shri R. Nagaraj Shetty & others	Quash and Struck down regulations framed by the Respondent called KERC (Recovery of Expd. for supply of Electricity) Regulations 2004.	Vakalath along with copy of the petition with enclosures sent to Dua Associates, Advocate on 9.3.2005.
26.	WP No.50393/04 (GM-KEB)	Asst. Executive Engineer (Ele.), O&M Div., KPTCL, Karwar	To Quash and Stay of Annex.E dt. 12.2.2002 passed by CEIG.	Vakalath along with copy of the petition with enclosures sent to Dua Associates, Advocate on 9.3.2005.
27.	WP No.4276/2005 (GM-KEB)	Smt.A.B.Hemavathi, Vs. MESCOM & others	To give appropriate job.	Vakalath along with copy of the petition with enclosures sent to Dua Associates, on 16.3.2005.
28.	WP No.50384-50388 /04 (GM-KEB)	The AEE (EI), KPTCL, O&M, GADAG.	Quash & Stay of Annexure A & C.	Vakalath along with copy of the petition with enclosures sent to Dua Associates, on 25.3.2005.
29.	W.P. No: 11757-05	Dr. Devika of Vidhyanagar, Hubli & others Vs. KERC & others	Provide Power Supply.	Vakalath, copies of the Notice, Interim Order and petition sent to Dua Associates on 29.4.2005.
30.	W.P. No: 11931-05	Food world Super Market Vs. State & Others	Not effect the disconnection.	Vakalath, copies of the Notice, Interim Order and petition sent to Dua Associates on 29.4.2005.

31.	W.P. No: 10167-05	Raymond Vijay Soans Vs. Bescom & Others	Give Power Supply.	Vakalath, copies of the Notice, and petition sent to Dua Associates on 29.4.2005.
32.	W.P. No: 12408-05 GM-KPTCL	Mr. Narasimha Nayak, Vs. MD, Mescom & others.	Refund of amount	Vakalath, copies of the Notice, and petition sent to Dua Associates on 4.5.2005. Admitted on 5-4-2005.
33.	W.P. No: 16826/05 G.M.-KEB	Sri Venkatesh Co- operative Textile Mill, Annigeri and another Vs. HESCOM and another.	Special incentive scheme to high voltage consumers.	Vakalath sent to Dua Associates on 28-9-05.
34.	W.P. No: 17208/03 G.M. KEB	Smt.,. Suvarna Vs. KERC and others	Sanction LT Power for small scale industry	Vakalath and copy of the petition sent to Dua Associates on 20-5-2003.
35.	Appeal No: 129/05	South Sugar Mills association, Vs. KERC and others.	Reg. Quash the Commissions order Dated 18-1-2005 and 20-7-05 and frame appropriate regulations.	Vakalath and copy of the petition sent to Dua Associates on 26-10-2005.
36.	W.P. No: 3565/06	MD, BESCOM Vs, Mittal Towers, Bangalore and another.	Quash & Stay of Annexure P dated 2-2-06 made in Op No. 12/05	Vakalath and copy of the petition sent to Dua Associates on 3-4-2006.

Annex- 3.5**MEMBERS OF THE ADVISORY COMMITTEE**

1	The Managing Director, Karnataka Power Transmission Corpn. Ltd., 'Cauvery Bhavan', K.G.Road, BANGALORE - 560 009. (Phone No. 2214342/2244556)	2	The Managing Director, Karnataka Power Corporation Ltd., 'Shakthi Bhavan', Race Course Road, BANGALORE - 560 001. (Phone No.2255606/2204153)
3	B.Sathyanarayana Udupa Secretary, Bharatiya Kissan Sangha Ashirwad House, Japthi Post Kundapura Taluk, Udupi Dist – 576211 Phone No: 08259-266255 Mobile : 94488-43888	4	President, KEB Engineers Association, No.28, Race Course Cross Road, Anand Rao Circle, BANGALORE - 560 001. (Phone No. Off: 2281049/2217227 Res: 5542787; Mobile: 98454-21111)
5	Shri M.G.Prabhakar No.79, 14 th Cross, 20 th Main, 2 nd Phase, J.P.Nagar Bangalore –560 078 Phone: Off: 6321054, Res: 6594249	6	Shri K.N.Venkatagiri Rao, Consumers Forum, Brasam Buildings, Nehru Maidan, SAGAR - 577 401.
7	Shri Amarnath Patil, President, Hyderabad Karnataka Chamber of Commerce, Chamber Building Complex, Super Market, Gulbarga - 585 101. (Ph.No.420579/433265; Fax. 08472- 420579)	8	The Managing Director, Bhoruka Power Corporation Ltd., No.48, Lavelle Road, BANGALORE - 560 001. (Phone No.2272271)
9	Shri Raghavendra Raju, S/o Shri Venkatanarayana Raju, No.574, 8th Cross, 9th 'C' Main, R.P.C.Layout, Vijayanagar 2nd Stage, BANGALORE.	10	Shri Prakash Kashinath Rao Patil, Ghatibhoralu, Humanabad Taluk, Bidar District
11	Managing Director, BESCOM, K.R.Circle, Bangalore - 560 001.	12	Secretary, Department of Food & Civil Supplies & Consumer Affairs, Government of Karnataka, M.S.Building, Bangalore.

13	<p>Shri M.N.Shankarikoppa, No.124, 1st Floor, 5th Cross, 3rd Main, 1st Stage, 2nd Phase, Manjunathanagar, BANGALORE - 560 010. (Ph.No.25550699; Mobile: 9448759632)</p> <p>Shri M.N.Shankarikoppa, President, State Farmers Co- ordinatory Committee, Adur, At & PS Hangal, Haveri.</p>	14	<p>Managing Director, GESCOM, Gulbarga Main Road, Gulbarga - 585 102.</p>
15	<p>Shri A.S.Kulkarni, Secretary, Citizen's Forum, Ashokanagar Road, Near Sawai Gandharva Hall, Kariraj Marg, HUBLI - 580 029 (Ph.No.2251231)</p>	16	<p>Shri Govindappa Former Technical Member, KEB., No.603, 21st Main, IV T Block, Jayanagar, BANGALORE - 560 041.</p>
17	<p>President, KPTCL Employees Union, 'A' Station Compound, Ananda Rao Circle, S.C.Road, BANGALORE - 560 009.</p>		<p>Vacant</p>