

CHAPTER-3

PUBLIC CONSULTATION - SUGGESTIONS / OBJECTIONS & REPLIES

3.1 The Commission undertook the process of public consultation in pursuance of Section 64 of the Electricity Act, 2003, in order to obtain suggestions/views/objections from the interested stake-holders on the Tariff application filed by the HESCOM. In the written submissions as well as during the public hearing stakeholders and public have raised several objections to the Tariff Applications filed by HESCOM. The names of the persons who have filed written objections and made oral submissions are given below.

List of persons who filed written objections within due date:

Sl. No	Application No.	Name & Address of Objectors
1	HA-01	Sri. S. K. Hegde, Nilkod, Chairman, Kumta Taluk Vidyut Balakedarara, Hita Rakshana Samiti (UK), Kumta.
2	HA-02	Sri. R. K. Rangrej, Ex-Chairman & Chairman Vidyut Upa Samiti, Gadag Jilla Vanijyodyama Samsthe, Vanijya Bhavan, APMC Road, Gadag - 582101.
3	HA-03	Sri. Aravind Pai, Adhyaksharu Kumata Taluk Vidyuth Balakedarara, Hitarakshana Samithi (U.K), APMC Yard, Godown No : 5 A, Kumata (Uttara Kannada District)
4	HA-04	Hon'ble General Secretary, KASSIA (Karnataka Small Scale Industries Association), Vijaya Nagar, Bengaluru.
5	HA-05	Sri Prakash Gundugwoda Patil, Secretary, Sri Srimantha, Thatyasaba Patil Water Consumer Society, Bambalavaada, Chikkodi, Belagavi Dist.
6	HA-06	Sri, Dilip Peerappa Latte, Secretary, Sri Krishan Lift Irrigation Consumer Society, Arabyanvadi- Kerur, Tq: Chikkodi, Dist: Belagavi.
7	AE-01	Ms/Mrs Shruti Bhatia, VP (Regulatory Affairs & Communication), Indian Energy Exchange, Unit No. 3, 4, 5 & 6, Plot No. 7, Fourth Floor, TDI Centre, District Centre, Jasola, New Delhi-110025.

Sl. No	Application No.	Name & Address of Objectors
8	AE-02	M/s Greenko Energies Private Limited., Plot No. 1071, Road No. 44, Jubilee Hills, Hyderabad-500033, Telangana.
9		Sri. G. G. Hedge, Kadekodi, C. P. Bazar, Sirsi.
10		Sri. Mahesh Suguru, Plant Head, Tata Motors Ltd., Mummigatti Post, Dharwad – 580 011.

The objections/suggestions mainly pertain to:

- Tariff;
- Quality of Power Supply and Service;
- Compliance of Commission's directives; and
- Certain specific requests.

The gist of objections, Replies by HESCOM and the Commission's Views are appended to this order in **Appendix-1**.

3.2 List of the persons, who made oral submissions during the Public Hearing, held on 14.02.2019.

SL. No.	Names & Addresses of Objectors
1	Sri. S. K. Hegde, Nilkod, Chairman, Kumta Taluk Vidyut Balakedarara, Hita Rakshana Samiti (UK), Kumta.
2	Sri. Aravind Pai, Adhyaksharu Kumata Taluk Vidyuth Balakedarara, Hitarakshana Samithi (U.K), APMC Yard, Godown No : 5 A, Kumata (Uttara Kannada District)
3	Sri. A.S.Kulkarni, Karnataka Chamber of Commerce, Hubballi.
4	Sri. Suhas Vaidya, Plot no-71, Kumbakonam plot, Hubballi.
5	Sri. R. K. Rangrej, Ex-Chairman & Chairman Vidyut Upa Samiti, Gadag Jilla Vanijyodyama Samsthe, Vanijya Bhavan, APMC Road, Gadag - 582101.
6	Sri. Vivek More, Bharathiya Kissana Sangha, Dharwad District.
7	Sri. Eranna Majge, Bharathiya Kissana Sangha, Gadag District.
8	Sri. R.K.Deshpande, Bharathiya Kissana Sangha, Haveri District.
9	Sri. Madav Narayan Hegde, Uttar Kannada.
10	Sri. G. G. Hedge, Kadekodi, C. P. Bazar, Sirsi.
11	Sri. R.G.Joshi, Kumta.

SL. No.	Names & Addresses of Objectors
12	Sri. Prakash Kulakarni, Advocate, Karnataka Raitha Sangha, Belgaum District.
13	Sri. Tushar Baddi, Vidyut Grahakara Hitarakshana Vedike, Hubballi.
14	Sri. Shrikar Kulakarni, Bailhongala
15	Sri. Shivayogi, Karnataka Rajya Electrical Consumers Welfare Federation, Davanagere.
16	Sri. Dundappa Bhima Hing Laje, Chikkodi

3.3 The summary of the points raised during the Public Hearing is as follows:

- 1) In general, the stakeholders have opposed the Tariff hike as there is deficit in rainfall and requested the Commission not to increase the tariff proposed by the HESCOM.
- 2) The Commission is not in favour of consumers as it used to be, in its earlier days.
- 3) The number of objections filed and number of people attending the public hearing is being drastically reduced year on year, due to usual tariff hike allowed by the Commission, in the recent years.
- 4) Ombudsman's functioning is not known to consumers.
- 5) The Officers does not stay in Head Quarters.
- 6) It is not known as to how the Tariff hike is required, each showing an increasing trend, which is reverse to other fields, where most of the time with increase in consumers the product value comes down.
- 7) Lift irrigation tariff not to be increased.
- 8) Increase in fixed cost is not required and same shall not be allowed.
- 9) Request to include Mushroom cultivation under HT3(b) category
- 10) If ESCOMs are stated to be under loss, then how can ESCOMs survive, even after Commission provides around 30 to 35 paise hike as against their request of 60 paise?
- 11) Reason for financial loss and increase in tariff, even though there is increase in collection efficiency and reduction in distribution losses,
- 12) Tariff hike is not needed, instead reduce the existing tariff by 10 paise per unit.
- 13) HESCOM is spending lots of amount in survey of IP sets. The technical and financial outcome of the same is not made known.

- 14) There is necessity of prudence check on DTC mapping work done in HESCOM.
- 15) There is increase in expenses of HESCOM, as 85% of the projects like laying of UG cable/AB Cable is given through contractors.
- 16) To reject the distribution loss, if it is more than national average.
- 17) Financial losses are the result of inefficiency of staff of the HESCOMs.
- 18) Pointed out that higher officers are handing over charge to the very lower cadre staff due to shortage of staff e.g. Section officer's charge is handled to power men (line men).
- 19) Suggested that HESCOM staff be trained to be consumer friendly.
- 20) HESCOM is not following Standards of Performance and there is a need to educate HESCOM staff on the Standards of Performance.
- 21) Consumer grievance cell-contact details are not updated and as of now the contact details of 2012 are available on the HESCOM website. Further, there is necessity to display contact details of Consumer Grievance cells, in all the offices of HESCOM.
- 22) There is necessity of new Building of HESCOM in Kumta, as the existing building of HESCOM office is very old and is deteriorated.
- 23) DSM measures like providing CFL bulbs and switching off the unwanted electric lights, shall be taken in all offices of HESCOM.
- 24) To consider members of the farming community as representatives on Board of Directors of the Company.
- 25) Subsidy is being claimed against many abandoned IP sets.
- 26) Billing of IP sets shall be done on quarterly basis, as against monthly billing.
- 27) 24X7 quality power supply for the Agricultural feeders is needed.
- 28) If the quality power supply is provided, there is no objection to tariff hike.
- 29) 'Grahakara kaipidi' shall be available to all consumers and it shall be charged at reasonable cost.
- 30) One of the objectors staying at Kumbakonam plot, Hubballi has complained that the U.G. cable connecting HESCOM's meter fixed at his residence and the electric pole, has burnt-out and the same has not been attended to, since last four months despite being followed up with HESCOM. And if the same is not attended within a week, he will move to consumer grievance redressal forum seeking compensation.
- 31) Measures to be taken under UDAY scheme are not being taken.

- 32) Progress of smart grid is not mentioned in the performance review.
- 33) Minimum charges & bill reading charges shall not be levied on consumers.
- 34) If unnecessary expenditure is curbed, no tariff hike is needed.
- 35) No improvement is seen in quality of service provided by HESCOM.
- 36) Power Theft takes place with the knowledge of HESCOM staff/officers.
- 37) Inefficient/Corrupt officers should be punished.
- 38) Long pending arrears of more than 2 years cannot be recovered.
- 39) Now notice is being issued to consumers seeking service tax for past period for which consumer will not get income tax benefit now for the said previous years.
- 40) Fill up the existing vacancy for providing quality service and avoid transfer of linemens from villages to towns and cities to avoid shortage of staff.
- 41) Necessary action is needed in collecting un-authorized amount from consumers/farmers for replacement of failed Transformers, by the HESCOM staff.
- 42) Repair of failed transformers are not done in accordance with the Standard of Performance.
- 43) Encourage installation of 25 kVA transformers instead of 63 kVA or 100kVA for IP sets. As lesser no. of IP sets is connected to 25 kVA transformers, it will provide more individual responsibility to the IP set consumers for keeping transformer under safe operations.
- 44) Initiate legal action on unauthorized IP sets.
- 45) Working of consumer helpline number-1912 shall be made available 24X7, without any interruptions.
- 46) Farmers are not getting compensation for loss of their crops due to fire mishaps and accidents caused due to sagged wires/slant poles, which needs to be attended/replaced.
- 47) Timely replacement of broken pole and broken conductors.
- 48) There is discrimination in providing 3-phase power supply to IP sets. In some places, 3-Phase power supply is given for 6 hours and in other places 7 hours. Consumers are not in favour of providing night time power supply for IP set for reasons of safety.
- 49) There are no efforts from HESCOM to reduce their losses and figures submitted in this regard are not authentic.

- 50) Power supply is poor in rural areas leading to migration of farmers to urban areas. Food industries are suffering loss due to poor power supply.
- 51) After computerization in HESCOM, the staff strength can be reduced.
- 52) Use of mobile phones in the HESCOM offices needs to be banned.
- 53) Political interference is too high. On account of which BJ/KJ scheme is being misused in Angoor village.
- 54) Ensure that the scheduled consumer interaction meetings are not postponed by giving reasons of office meetings.
- 55) People have lost their land for nuclear, thermal, hydel plants. But there is no proper supply.
- 56) The video conference facility shall be utilized for the meetings wherever possible, to avoid unnecessary travel expenditure.
- 57) Electrification work was done in one place under Soubhagya Scheme on 01.01.2018. But power supply was interrupted on the same day and till date the same is not restored.
- 58) The vigilance section of the HESCOM needs to be proactive in identifying and booking more theft cases.
- 59) Return HT meter cubicle box to the consumer on dismantling of HT installation.
- 60) Resolve conflict of opinion in respect of DCW and self-execution works in respect of supervision charges and maintenance cost.
- 61) The sub-divisional engineers are insisting the existing HT consumers having 2CT- 2 PT metering cubicles to replace it by 3 CT- 3 PT metering cubicles without authority of law.
- 62) Insisting ownership documents or MOA/Partnership Deed in respect of documents to be produced for obtaining electricity connection.
- 63) Check the legality of the documents before providing service connection.
- 64) Electricity Department should work independently.
- 65) Severe power supply interruptions in the name of jungle cutting.
- 66) The subsidy amount from the Govt. of Karnataka and grants from the Govt. of India, in respect of various projects, is not being utilized properly.
- 67) HESCOM should not waste public money on publishing low quality yearly calendars.
- 68) HESCOM shall avoid high cost power purchases viz. that from the RPCL and PJHEP.

- 69) Payment of higher cost per unit by HESCOM compared to BESCO for most of the generation needs to be verified and excess amount paid, if any shall be recovered.
- 70) Plan of action for reducing the losses is not mentioned in the Tariff application.
- 71) There are pending payments from HESCOMs to different Generators.
- 72) The LED bulbs provided under DSM are not of good quality.
- 73) The minimum slab for use of electricity shall be increased to 100 units.
- 74) Ganga Kalyana Scheme has not been utilized properly in HESCOM.
- 75) Pensions were being drawn in the name of non-existing persons.
- 76) None of the projects which are initiated by HESCOM are completed effectively.
- 77) Central Government is introducing concept of pre-paid meters. Hence, there is no necessity by HESCOM to implement pre-paid meters at present.
- 78) Due to monopoly of HESCOM, consumers are not having option to change the supplier.
- 79) Objections raised in the Audit report are not brought out in the Tariff filings and in Tariff orders.
- 80) Majority of the Consumers were not aware of public hearing and HESCOM staff need to create awareness to the consumers on standards of performance.
- 81) There are frequent interruptions in Kumta-Gokharana line.
- 82) In standards of performance, few of the penalties are wrongly notified.
- 83) Installation of power capacitors are necessary to reduce losses on the IP set feeders, which are presently about 30%.
- 84) Analysis on sale of energy and power purchase cost is not justified.
- 85) The staffs are not doing estimates for new installations, economically.
- 86) HESCOM shall provide the replies in the public hearing only, to the objections raised in the public hearing.
- 87) Suitable action needs to be taken for collecting un-authorized amount from consumers for replacing MNR (Meter Not Recording) meters.
- 88) Fluctuation in voltage and low voltage conditions needs to be resolved.
- 89) CT operated meter readings shall mandatorily be taken by the section officers/Engineers instead of linemen. Action has not been initiated/implemented by HESCOM in accordance with Ombudsman Order

Dated: 3rd March 2017, by in Case no. OMB/H/G-265/2016 & case no. OMB/H/G-266/2016.

- 90) The staff are working in the same place for more than 10 years, and staff's staying for more than 3 years, in one place needs to be transferred in the interest of the HESCOM.
- 91) Create a tool in RAPDTP system (software) on back billing charges i.e. to freeze the disputed amount until final orders by the competent Authority, as the interest is accumulated during the pendency of appeal and consumers need to pay the interest or face disconnection. Mandate TAQC inspection, in respect of works costing Rs 15 lakhs and above.
- 92) HESCOM shall reduce its maintenance cost.
- 93) IP set subsidy shall be extended to all IP sets.
- 94) The meter readers must wear uniforms and possess ID Cards.
- 95) Inspection by HESCOM is needed on usage of solar water heaters in case of installations which are claiming solar Rebate.
- 96) Copies of the Tariff Order 2019; copies shall be provided to all those who have attended the public hearing and submitted the oral objections and written objections.

HESCOM Response:

The Managing Director, HESCOM stated that the replies to most of the issues raised in the public hearing have been furnished in the written replies. The other issues not covered earlier would be looked into and remedial action taken.

Commission's Views:

The Commission directs HESCOM to look into the unresolved issues and attend to them on priority, under intimation to the respective objectors.