

CHAPTER – 1

INTRODUCTION

1.0 Brief History of Hukeri Rural Electric Co-operative Society (HRECS)

Hukeri Rural Electric Co-operative Society (HRECS) was established on 21st July, 1969 as a Rural Electric Co-operative Society under the provisions of the Karnataka Co-operative Societies Act, 1959. It is a Distribution Licensee under Section 14 of the Electricity Act, 2003 (herein after referred to as the Act), responsible for purchase, distribution and retail supply of electricity to the consumers in Hukeri Taluk of Belagavi District. The Society is catering to 123922 consumers as on 31st March, 2018.

AEQUS is a Special Economic Zone establishment in Hukeri taluk and is availing HT power supply from the HRECS. It has filed separate application for approval of ARR for FY20-22 as a Distribution Licensee.

The distribution area of HRECS with six numbers of 110 / 11 kV substations and two numbers of 33 / 11 kV sub-stations, is divided into the following section offices:

1. Hukeri East
2. Hukeri West
3. Sankeshwar
4. Yamakanamaradi
5. Hidkal Dam
6. Kanagala
7. Hebbal
8. Sulthanpur
9. Bellada Bagewadi

1.1 HRECS's Profile

The profile of HRECS as on 31.03.2018, is as under:

Sl. No	Particulars		Statistics
1.	Area	Sq. km.	991.49
2.	Consumers	Nos	123923
3.	Energy Consumption	MU	284.53
4.	Distribution Transformers	Nos.	2374
5.	Assets	Rs. Lakhs	8083.98

1.2 Background for Current filing:

HRECS has filed its application for approval of the ARR under APR for FY18 and the ARR for the next Control Period FY20-22 and revision of Retail Supply Tariff for FY20, on 28th November, 2018. The Commission, communicated its preliminary observations on the application to the HRECS on 17th December, 2018. The replies to the observations were submitted by the HRECS on 24th December, 2018.

1.3 Public Consultation Process:

The Commission treated the application of HRECs as a petition and directed it vide letter dated 27-12-2018 to publish the summary of the ARR and Tariff proposals in the newspapers to invite objections / suggestions from the stakeholders.

Accordingly, the HRECS has published the summary of tariff application in the following newspapers:

Newspaper name	Date of publication	Language
Vijayavani	02-01-2019	Kannada
Deccan Herald	02-01-2019	English
Vijay Karnataka	03-01-2019	Kannada
The New India Express	03-01-2019	English

In response to the above notifications, the Commission received nineteen objections.

1.4 SUGGESTIONS / OBJECTIONS & REPLIES

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 HRECS. In the written submissions as well as during the public hearing some stake-holders and public have raised several objections to the Tariff Applications filed by HRECS. 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:

SI No	Application No	Objector Name	Address
1	HR-01	Shri. Vikram Annappa	Aequs SEZ Pvt Ltd., Aequs Special Economic Zone, 437A/1, Hattaragi Village, Hukeri Taluka, Dist. Belagavi, Pin Code: 591243
2	HR-02	Shri. Balappa P. Akkatangerhal	A/P. Hosur, Tal: Hukeri Dist: Belagavi Pin code:591221
3	HR-03	Shri. Dilip S. Hosamani	Goraxanmal, Sankeshwar – 591313 Tal: Hukeri Dist: Belagavi
4	HR-04	Shri. Shrikant Chandrappa Bhushi	A/P. Ghodageri, Tal: Hukeri Dist: Belagavi, Pin code:591107
5	HR-05	Shri. Mahadev Maruti Patil	A/P. Sultanpur, Tal: Hukeri Dist: Belagavi Pin code:
6	HR-06	Shri Vijay Balappa Ravadi	A/P. Hukeri, Tal: Hukeri Dist: Belagavi, Pin code:591309
7	HR-07	Shri. Ganesh B. Patil	A/P. Kochari, Tal: Hukeri Dist: Belagavi, Pin code:591340
8	HR-08	Shri Saleem B. Kalavant	Gajabarawadi Road, Hukeri, Tal: Hukeri Dist: Belagavi, Pin code:591309
9	HR-09	Shri Kiran Shashikant Karoshi	Adarsh Nagar, Hukeri, Tal: Hukeri Dist: Belagavi, Pin code:591309
10	HR-10	Shri. Annappa Kalagoda Patil	A/P. Halladkeri, Hukeri, Tal: Hukeri Dist: Belagavi, Pin Code: 591309
11	HR-11	Shri Ashok C. Ankalagi	A/P. Avaragol, Tal: Hukeri Dist: Belagavi, Pin code:591309
12	HR-12	Shri. Pradeep Balakrishna Alurakar	A/P. Bugate Alur, Tal: Hukeri Dist: Belagavi, Pin code:591313
13	HR-13	Shri. Malagouda Shankargouda Patil	Matha Galli, Sankeshwar, Tal: Hukeri Dist: Belagavi, Pin code:591313
14	HR-14	Shri. Shivahankar M.	A/P. Kesti, Tal: Hukeri Dist: Belagavi

SI No	Application No	Objector Name	Address
		Chougala	Pin code: 591236
15	HR-15	Shri. Prakash Dinakar Patil	A/P. Shippur, Tal: Hukeri Dist: Belagavi, Pin code:591225
16	HR-16	Shri Prakash Basappa, Itekar	Janata Plot, Indira Nagar, Sankeshwar, Pin Code: 591313
17	HR-17	Shri. Maruti Santram Kundi	A/P. Gavanal, Tal: Hukeri Dist: Belagavi, Pin code:591340
18	HRB-01	Shri Prakash Basappa, Itekar	Janata Plot, Indira Nagar, Sankeshwar Pin Code: 591313
19	AE-02	Greenko Energies Pvt Ltd	Hyderabad

The objections/suggestions mainly pertain to:

- Tariff;
- Works in Progress and materials purchased;
- Employees and Vacancies;
- Functioning of Consumer Grievance Cell; and
- Certain specific requests.

The gist of objections relevant to the Tariff, Replies by HRECS and the Commission's Views are appended to this Order in **Appendix-1**. The details required by the objectors on the operations of the Society have been directly furnished to the objectors by the HERCS in its replies to the objections.

List of the persons, who made oral submissions during the Public Hearing, held on 13.02.2019.

SL. No.	Names & Addresses of Objectors
1	Sri. K.V.Sridhar, Accounts Officer, HESCOM
2	Sri. Ravi Hidkal, Shiragaon
3	Sri. Shrishail Mathapati, Sultanpur
4	Sri. Kiran Karoshi, Hukeri

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

- HESCOM requested to increase the trading margin from presently existing 5 paise/unit to 10 paise/unit.
- The consumers shall not be burdened with increase in Tariff.

- 3) Three phase power supply is provided only for 3 Hours instead of 13 Hours uninterrupted power supply.
- 4) The materials available in store are not used effectively.
- 5) Unnecessary amount is being spent on advertising birthday wishes, which is not needed.

HRECS Response:

The MD, HRECS 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 HRECS to look into the unresolved issues and attend to them on priority.