

RECORD OF PROCEEDINGS

DATE OF HEARING : 11 July, 2013 at 11:00 hrs.

CASE NO. : 85 of 2013

LICENSEES : Tata Power Company Limited –Distribution (TPC-D)
Reliance Infrastructure Limited –Distribution (RInfra – D)

MATTER : *Suo-motu* Hearing on Review of Quarterly Progress Reports
in Case No. 151 of 2011 submitted by TPC-D and RInfra-D.

CORAM : Shri. V. P. Raja, Chairman
Shri. Vijay L. Sonavane, Member
Smt. Chandra Iyengar, Member

- During the hearing, TPC-D made a presentation on “Status of Implementation of Directions given in Case No.151 of 2011”. TPC-D in its presentation stated that it has invested Rs. 166 crore till date on network as against approved amount of Rs. 978.96 crore. TPC-D submitted that for complete roll out of network in 11 clusters it requires time upto FY 2015-16. TPC-D stated that they had a total requirement for Capital Expenditure of around Rs.1372.35 crore for Network development of their entire License Area while they submitted & also got the approval of Rs. 978.96 crore for Network roll-out plan for 7 clusters from the Commission.
- TPC in its presentation referred the paragraph 73 of the Commission’s Order in Case No. 151 of 2011 and stated that in accordance with the Commission’s Order temporary connection consumers taking supply from RInfra-D earlier and now taking permanent supply from TPC-D cannot be categorised under switchover consumers.
- Upon this, the Commission directed TPC-D to submit the detailed plan of action for the Complete Network Roll out plan, primarily stating that since 2/3rd amount of the total Capital expenditure as per their original plan are already getting covered in the approval for 7 clusters then what are the plans of TPC-D to match it with the original plan of action of Rs. 1372.35 crore. It is unfortunate that the Commission had to initiate the *Suo-motu* hearing on the progress of network development and during this process, TPC-D has cited practical difficulties in achieving the target set by the Commission, though TPC-D has never communicated these problems on its own.
- During the hearing, the Commission stated that as against the approved expenditure of Rs. 978.96 crore to be undertaken during the 12 month period, TPC -D has actually spent only Rs. 166 crore. TPC-D has given the reasons such as stoppage of work during the monsoon period and delay in getting permission from MCGM. However, the Commission in its Order dated 22nd August, 2012 in Case No. 151 of 2011 has clearly stated that “*Further, TPC-D should ensure that the necessary space for sub-station/Distribution*

Transformer, etc., is obtained by relying on the help of the State Government and other appropriate Authorities, since, TPC-D cannot link the compliance to conditions such as space availability, etc.”.

- The Commission observed that in the Order dated August 22, 2012 in Case No. 151 of 2011 it is stated that *“TPC-D will have to focus all its energies and capital expenditure and ensure that by the end of one year from the date of this Order, TPC-D has rolled out its entire distribution network in the 11 Clusters identified above (to be redrawn into a Municipal Ward-wise Plan by TPC-D) in such a manner that it is in a position to provide supply through its own distribution network to existing and prospective consumers located anywhere within these Clusters, within the minimum time period of one month specified under the MERC SOP Regulations.”* The implication of this is clearly that the benefit of substantially reduced tariff should be made available to the lowest category of consumers namely residential consumers with consumption of 0-300 Units within 12 months from the date of Order. It is clearly not likely to happen and to that extent is a breach of Commission’s Order. The Commission also desired to know if TPC-D had any alternative plans to achieve this objective within the required period.
- During the hearing, the Authorised Consumer Representative - Shri Ashok Pendse, TBIA submitted that Capital Expenditure is not visible on the part of TPC-D and consumers are not getting supply from network of TPC-D, while Shri Rakshpal Abrol, stated that there had been inefficiencies on the part of TPC-D in laying down the cable for power supply. Shri Sandeep N. Ohri, submitted that due to many technical issues like Cross Subsidy charges, Wheeling charges, limit of up to 300 units etc, it is getting difficult for consumers to shift from one distribution licensee to another.
- The Commission read out two letters which were received from Shri Gopal Shetty, MLA and Shri Subhash Desai, MLA. The Office of the Commission was directed to circulate the copies of these letters to the Licensees and Consumer Representatives and TPC-D is required to submit its reply on the issues raised in these letters.
- TPC-D was directed to submit the detailed chronological events of Network development in three phases viz FY 1998-2003, FY 2003-2008 & FY 2008-till now and detailed plan of action adopted by them as a Distribution Licensee.

TPC-D was directed to submit the written submissions by 19 July, 2013 and RInfra-D was directed to submit the rejoinder by 24 July, 2013.

The Case was posted for further Hearing on **Monday, 29 July, 2013 at 12:30 Hrs.**

List of the persons who attended the Hearing held on 11.07.2013 in the matter of Case No. 85 of 2013

- 1) Shri Sunil Joglekar, TPC-D
- 2) Ms.Ambica Garg, TPC-D
- 3) Ms.Shital Khiraiya, TPC-D
- 4) Shri Amey Naik, TPC-D
- 5) Shri Manoj Gupta, TPC-D
- 6) Ms.Swati Mehendale, TPC-D
- 7) Ms H.I.Inamdar, TPC-D
- 8) Shri Kartik.K, TPC-D
- 9) Shri Kishor Patil, RInfra-D
- 10) Shri R.R.Mehta, RInfra-D
- 11) Shri Kapil Sharma, RInfra-D
- 12) Shri. Paresh Patkar(Advocate), RInfra-D
- 13) Shri Prakash P.Pathak, RInfra-D
- 14) Ms Sampada Jaint, RInfra-D
- 15) Shri Dilip S. Shinde, RInfra-D
- 16) Shri Ashok Pendse, TBIA, Consumer Representative
- 17) Shri Ashok Sethi, TPC-D
- 18) Shri M.D.Sahi, TPC-D
- 19) Shri M.P.Kulkarni, TPC-D
- 20) Shri M.Shenbagam, TPC-D
- 21) Shri Narayanan, V.T., TPC-D
- 22) Shri Gaurav Gautam, TPC-D
- 23) Shri Pillai R., TPC-D
- 24) Shri Chintamani Chitnis, TPC-D
- 25) Shri Ramesh S Kharat, TPC-D
- 26) Shri Hitesh Gokani, TPC-D
- 27) Shri P.S.Pandya, RInfra-D
- 28) Shri G.J.Thakker, RInfra-D
- 29)Shri Arun Bapat, TPC-D
- 30)Shri Avijeet Lala, TPC-D
- 31) Shri M.D.Joshi, TPC-D
- 32) Shri K.R.Cooper, TPC-D
- 33) Shri Deepak Kabadi, TPC-D

- 34) Shri Niranjan C.V., TPC-D
- 35) Shri R.M.Rande, TPC-D
- 36) Shri Sandeep N. Ohri, Consumer Representative
- 37) Shri Rakshpal Abrol, BUAUS, Consumer Representative
- 38) Shri Nishant, TPC-D
- 39) Shri S.V. Savarkar, TPC-D
- 40) Shri Saji Moh., RInfra-D
- 41) Shri D.V. Beherjen, RInfra-D

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