

CHAPTER – 3**PUBLIC CONSULTATION****SUGGESTIONS / OBJECTIONS & REPLIES**

3.1 The Commission has undertaken the process of public consultation, as per the provisions of the section 64 of the Electricity Act, 2003. In the process, the Commission has invited suggestions/views/objections from the interested stakeholders and the general public on the application filed by BESCOM for Annual Performance Review for FY19, revision of ARR for FY21 and revision of Retail Supply Tariff for FY21. In the written submissions filed as well as during the public hearing, the Stake-holders and the public have raised several objections/ made suggestions, on the BESCOM's Tariff Application dated 28th November, 2019. The names of the persons who have filed written objections are given below:

List of persons who have filed written objections

Sl. No	Application No.	Name & Address of Objectors
1	BB-01	Sri. Ramkrishnan.K, Senior Consultant (Elec.) M/s. Powercon Consultant Pvt. Ltd.,
2	BB-02	Sri. Gangadharaiah, 3 rd Cross, Shakthinagar, Turuvekere, Tumkur District.
3	BB-03	Anonymous
4	BB-04	Sri. T.S. Sathyanarayana, Flat No. 109, BB Paradise, 23/3, Yelachenahalli, Bengaluru – 560 111
5	BB-05	Sri. Govindappa, Chairman, Karnataka Working Group on Electricity, Silver Jubilee Building, #28, Race Course Road, A.R. Circle, Bengaluru – 560 009
6	BB-06	Sri. O.K. Surianarayanan, #78(First Floor), Ramakrishna Mutt Road, Halasuru, Bengaluru – 560 008
7	BB-07	Geetha Misra, #135, 47 th Cross, 3 rd Block, Rajajinagar, Bengaluru – 560 010
8	BB-08	Sri. Gopal Ratnam. V, Secretary, Consumer Care Society
9	BA-01	Sri. M.G. Rajagopal, Hon. General Secretary, KASSIA
10	BA-02	Sri. Prashanth Kumar. M.V, CAO, BWSSB, Cauvery Bhavan, Bengaluru – 560 009

Sl. No	Application No.	Name & Address of Objectors
11	BA-03	Sri. Vijaykumar S. Makal, Hon. Secretary, Peenya Industries Association, Bengaluru – 560 058
12	BA-04	Sri. M. Lokaraj, Secretary General, FKCCI
13	BA-05	Sri. Archana. M. V, Research & Program Co-coordinator, BPAC

The objections/ suggestions mainly pertain to:

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

The Commission has received few objections after the due date, which is noted by the Commission. The list of the persons who have filed the written objections after the due date are as follows:

Sl. No.	Name and address of the Objector
1	Sri. Jogendra Behera, V.P (Market Design and Economics), IEX
2	Sri. S.M Hussain, President, Peenya HT Industries, Okkotta
3	Sri. P. B. Mahesh, Annekal, Bangalore
4	Kare Power Resources Pvt. Ltd.
5	Brindavan Hydropower Pvt. Ltd.

The summary of the objections, the BESCOM's reply and the Commission's view are annexed as Appendix-1 to this Order.

3.2 List of the persons, who made oral submissions during the Public Hearing, held on 07.02.2020.

SL. No.	Names & Addresses of Objectors
1	Smt. Revathy Ashok / Archana. M. V, B.PAC
2	Shri. Shrinath Bhandary Udywar, KASSIA
3	Shri Mallappa Gowda, KASSIA
4	Shri S.M. Hussian, Peenya HT Industries

SL. No.	Names & Addresses of Objectors
5	Sri. K.C.Naikwadi, KWGE
6	Shri. Nitish Arora, Ola Electric
7	Shri. Prasad Raj, Retd. Chief Engineer
8	Shri. Lakshmikant, Peenya Industrial Association
9	Shri. Venkatesh Arbatti, Advocate, BWSSB
10	Shri. Ravi Kumar (NGEF Association)
11	Shri. S.L. Narayana (NGEF Association)
12	Shri Trinath Choudhary, A one Steel
13	Shri. Krishnappa, Electrical Contractor.

Following are the points raised during the Public Hearing:

1. The power purchase cost is 95.78% of the revenue which is very high. Power purchase cost could have been less if high cost purchase was reduced. Therefore, power purchase cost more than that approved by the Commission should not be passed on to the consumers.
2. Actual Distribution loss is more than the approved distribution loss for FY19, which shows BESCOM has failed in reducing the losses. Distribution losses more than the approved losses, should not be passed on to the consumers.
3. Due to high per unit cost of power, HT consumption is going down and more HT consumers are opting for Open Access.
4. Cross-subsidies should progressively be removed.
5. Power consumption by IP set is increasing year-on-year. IP set consumption needs to be investigated. Subsidy should be given for one IP set per farmer.
6. Farmers should be given subsidy under Direct Benefit Transfer (DBT) program.
7. Arrears equivalent to eight months' receivables are pending from Government bodies which need to be looked into.

8. Tariff for Micro, Small, and Medium Enterprises (MSME) should be reduced. To make the Indian products competitive in the global market, there should be no further hike in the electricity tariff for the industries.
9. Over Head Cables (OHC) are better as compared to the (Underground) UG cable as repair and replacement of OHC cables requires less time.
10. Investment in UG cables will pose as additional burden to the consumers owing to high capital investment. Further, benefits are yet to be realised from earlier investments made towards improvement of the distribution system.
11. Load shedding has increased despite availability of surplus power in the State.
12. Considering the energy surplus situation in the State, the per unit cost of power should come down.
13. Conditions pre-requisite for availing special incentive scheme is burdensome.
14. Concession should be provided to consumers converting LT connections to HT connections. Further, BESCOM should encourage conversion of LT connections into HT connections in order to increase the HT sales.
15. Loans borrowed at high interest rates for capex schemes should not be allowed.
16. Time of Day (ToD) is beneficial only to industries running in three shifts. ToD should be made optional considering surplus power available in the State.
17. Evening ToD charges should also be relaxed in view of surplus power situation in the State.
18. Timer switches in the Street light installations should initially be installed by BESCOM and then costs recovered from BBMP.
19. BESCOM has not provided proper justification regarding the increase proposed in the Fixed Charges (FC) for industries.

20. Industries are suffering due to high FAC charges.
21. IP set consumption is not being recorded properly. Un-authorised IP sets are a big burden to the consumers. Meters should be installed on each IP set and DBT should be introduced.
22. BESCOM's power purchase cost is higher as compared to average power purchase cost of Rs. 3 per unit in the country and thus, high power purchase cost of BESCOM is liable to be disallowed.
23. Increase on fixed cost as proposed by BESCOM should not be approved.
24. Additional Cost of Rs.1451.2 Crores incurred due to extra power purchase owing to increase in IP set consumption should not be passed on to the consumers. Any increase in IP set consumption should be subsidised by GoK.
25. As against 58 Lakh DTCs in BESCOM, meters have been provided for only 80,000 DTCs leaving scope for manipulation of the IP set consumption data.
26. Ola Electric proposed that they are exploring options for having building as charging centres for Electric Battery Swapping Centres for Electric Vehicles. They requested that a special EV tariff to be fixed for these EV charging/ swapping centres. They are also planning to install EV charging points in petrol pumps and have requested that HT facility should be provided to such petrol pumps.
27. IP set subsidy should be paid in advance by the GoK.
28. Government should fund schemes implemented for poor/ BPL category consumers.
29. Dynamic/bucket pricing as implemented by railways/ aviation industry may be adopted.
30. Roadmap to reduce CSS may be drawn by the Commission.
31. BESCOM should invite bids for procurement of power to reduce the power purchase costs.

32. Loss projected by BESCOM is in correct.
33. Transformer testing labs should be reopened by BESCOM.
34. BESCOM has not complied with the Technical Standards as specified under CEA (Technical standards for Construction of Electrical Plants and Electric Lines) Regulations, 2010 in respect of installation of correct capacity of transformers.
35. Service mains upto the point of meters should be done by the utilities.
36. Maintenance and replacement of transformers is not done by the utilities in a timely manner.
37. Conditions of Supply (CoS) is not being implemented properly by the officers for the want of circulars from Head Office.
38. Single meters should be installed instead of multiple meters in a single premise e.g. P.G. accommodation.
39. Procedures for providing temporary supply to the consumers should be simplified.
40. Monthly billing instead of weekly billing should be done for temporary installations.
41. Procedures for getting pre-paid meters should be simplified.
42. Transformer in rural areas are not being replaced by BESCOM within stipulated time.
43. Energy audit is not being conducted regularly.
44. Separate cell should be created for attending the complaints.
45. Meter testing is not being done properly.
46. Consumer interaction meetings are not being conducted at regular intervals.

47. Digital meters have not been installed yet and thus, Maximum Demand (MD) is not being recorded properly resulting in loss to the ESCOMs.
48. IP sets more than 10 HP are being used as the water levels have gone down.
49. Any increase in tariff should not be allowed in power surplus situation.

3.3 BESCOM Response:

The MD BESCOM stated that the replies to most of the issues raised in the public hearing have been furnished in the written replies furnished to the objectors. Replies to the additional points raised during Public hearing are as follows:

- i. High cost of power purchase is due to higher share of costly power being allocated to BESCOM;
- ii. RE projects are having Must Run status. Thus, due to high injection of RE into the grid, thermal stations have to be backed down. BESCOM is paying fixed charges for the thermal stations which have been backed down.
- iii. PCKL is trying to sell excess power on behalf of the ESCOMs through power exchanges;
- iv. 97% enumeration of IP sets have been completed. ENZEN was engaged to conduct the GPS survey;
- v. The Commission, in consultation with KPTCL/SLDC and ESCOMs may consider the request for relaxing ToD.
- vi. Smart metering is must for implementation of differential pricing.
- vii. BESCOM is exploring option to implement schemes like 'Pani Bachao and Paise Kamayo' similar to that implemented by Punjab to reduce IP set consumptions.

Other issues not covered earlier BESCOM assured the participants that it would look into and remedial action taken.

3.4 Commission's Views:

The Commission directs BESCOM to look into the unresolved non-tariff issues and attend to them on priority. Further, the Commission has discussed and dealt with all the other issues raised by the consumers in this tariff order.