

ANNUAL REPORT FOR 2015-2016

[In accordance with Section 105 of Electricity Act, 2003 (Central Act 36 of 2003)]

(To be laid before the State Legislature)**1. PREAMBLE****1.1 Introduction:-**

The Government of Tamil Nadu had constituted the Tamil Nadu Electricity Regulatory Commission (TNERC) in G.O Ms No 58 Energy (A1) Department dated 17th March 1999 in accordance with section 17(1) of the Electricity Regulatory Commissions Act 1998 (Central Act 14 of 1998), which has since been repealed by section 82(1) of the Electricity Act, 2003 (Central Act 36 of 2003). However, the Tamil Nadu Electricity Regulatory Commission established under the said repealed Central Act 14 of 1998 continues to be the State Electricity Regulatory Commission by virtue of the proviso to sub-section (1) of section 82 of the Electricity Act, 2003 (Central Act 36 of 2003). The Commission is empowered to make Regulations for the conduct of its proceedings and discharge of its functions. As per section 95 of Electricity Act, 2003, all proceedings before the Commission are deemed to be judicial proceedings within the meaning of sections 193 and 228 of the Indian Penal Code (Act 45 of 1860). The same provision declares that the Commission is deemed to be a Civil Court for the purposes of sections 345 and 346 of the Code of Criminal Procedure, 1973 (Act 2 of 1974). Section 105 of the Electricity Act, 2003 stipulates that the State Commission shall prepare once every year an annual report giving a summary of its activities during the previous year and forward it to the State Government. The Annual Report shall be laid before the State Legislature.

1.2 Composition of the Commission:-

Thiru. S. Akshayakumar was appointed by the Government of Tamil Nadu as Chairman, Tamil Nadu Electricity Regulatory Commission vide G.O. Ms. No.41, Energy (D1) Department dated 06.06.2014. He took charge on 09.06.2014. He was previously serving in TANGEDCO in various capacities and was lastly serving the TANGEDCO as Director (Transmission Projects).

Thiru. G. Rajagopal was appointed by the Government of Tamil Nadu as Member, Tamil Nadu Electricity Regulatory Commission vide G.O. Ms. No.111, Energy (D1) Department dated 31.12.2013. He took charge on 09.01.2014. He was previously serving in TANGEDCO as its Director (Finance).

Dr. T. Prabhakara Rao, I.A.S., (R) was appointed by the Government of Tamil Nadu as Member, Tamil Nadu Electricity Regulatory Commission vide G.O. Ms. No.15, Energy (D1) Department dated 17.02.2016. He took charge on 20.02.2016. He was previously serving the Government of Tamil Nadu as Additional Chief Secretary to Government, Transport Department.

1.2.1 Consequent to the retirement of Thiru. S. Gunasekaran, Secretary, TNERC, on 10.11.2015 the Commission appointed Thiru. S. Chinnarajalu as Secretary in TNERC for a period of one year and he joined on 20.11.2015. Further, consequent to the retirement of Thiru. P. Mutusamy, Director (Engineering), TNERC on 31.5.2015, the Commission appointed Thiru. R.V. Sundararaman as Director (Engineering) in TNERC for a period of one year and he joined on 21.12.2015.

1.3 Functions of the Commission:-

As per section 86 of the Electricity Act, 2003, the Commission shall discharge the following functions, namely;

(1) (a) determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State:

Provided that where open access has been permitted to a category of consumers under section 42, the Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;

(b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;

(c) facilitate intra-state transmission and wheeling of electricity;

(d) issue licence to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;

(e) promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;

(f) adjudicate upon disputes between the licensees, and generating companies and to refer any dispute for arbitration;

(g) levy fee for the purposes of this Act;

(h) specify State Grid Code consistent with the Grid Code specified under clause (h) of sub-section (1) of section 79;

(i) specify or enforce standards with respect to quality, continuity and reliability of service by licensees;

(j) fix the trading margin in the intra-State trading of electricity, if considered, necessary; and

(k) discharge such other functions as may be assigned to it under this Act.

(2) The Commission shall advise the State Government on all or any of the following matters, namely:-

(i) promotion of competition, efficiency and economy in activities of the electricity industry;

(ii) promotion of investment in electricity industry;

(iii) re-organisation and restructuring of electricity industry in the State;

(iv) matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by that Government.

(3) The Commission shall ensure transparency while exercising its powers and discharging its functions.

(4) In discharge of its functions the Commission shall be guided by the National Electricity Policy, National Electricity Plan and tariff policy published under section 3 of the Electricity Act, 2003.

1.4 Powers of Commission to make regulations”-

Section 181 of the Electricity Act, 2003, empowers the Commission to make Regulations consistent with the Act and the Rules thereunder, generally to carry out the provisions of the said Act. As per section 181(3) of the said Act, all regulations made by the State Commission shall be subject to the condition of previous publication. As per section 182, all such regulations have to be laid before the State Legislature as soon as they are made.

1.5 Judicial Character of the Commission:-

The Commission, by virtue of the provisions of Section 94 of the Electricity Act, 2003, assumes judicial character and the Commission shall have same Powers of a Civil Court *in respect of the following matters, namely:-*

a) summoning and enforcing the attendance of any person and examining him on oath;

- b) *discovery and production of any document or other material object producible as evidence;*
- c) *receiving evidence on affidavits;*
- d) *requisitioning of any public record;*
- e) *issuing commission for the examination of witnesses;*
- f) *reviewing its decisions, directions and orders;*
- g) *any other matter which may be prescribed”*

As provided in Section 95 of the Electricity Act, 2003 all proceedings before the Commission *shall be deemed to be judicial proceedings within the meaning of sections 193 and 228 of the Indian Penal Code (Act 45 of 1860) and the Commission shall be deemed to be a Civil Court for the purposes of sections 345 and 346 of the Code of Criminal Procedure, 1973 (Act 2 of 1974).*

1.6 Appeal against Commission’s orders:-

Section 111 of the Electricity Act, 2003 among other things provides for appeal against the orders of the Commission in the Appellate Tribunal for Electricity headed by a serving / retired judge of the Supreme Court or a Chief Justice of a High Court and consisting of three other Members.

1.7 Punishment for non-compliance of direction by the Commission:-

Section 142 of the Electricity Act, 2003 provides for punishment for the contravention of any of the provisions of the Act or the rules or regulations made thereunder, or any directions issued by the Commission.

1.8 Power to adjudicate:-

Section 143 (1) of the Electricity Act, 2003 provides that the Commission shall appoint any of its Members to be an adjudicating officer to adjudge issues arising out of Section 29, 33 and 43 regarding compliance of directions given by Regional Load Despatch Centre, compliance of directions given by State Load Despatch Centre and duty of the Licensee to give supply on request, respectively, by holding an inquiry in such manner as may be prescribed by the Government, after giving any person concerned a reasonable opportunity of being heard for the purpose of imposing any penalty.

1.9 Civil Court not to have jurisdiction:-

Section 145 of the Electricity Act, 2003 provides that no Civil Court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which the adjudicating officer appointed under the said Act is empowered by or under this Act to determine and no injunction shall be granted by any Court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.

1.10 Administration:-

The Government of Tamil Nadu have accorded sanction for appointment of regular staff for the Commission in G.O.Ms.No.80 Energy (A1) Department, dated 19.08.2002. As per the Government Orders, the Commission is authorized to appoint Officers and staff on a regular basis, on contract service and on deputation basis from Central / State and other Public Sector Undertakings. The total staff strength of the Commission as on 31.03.2016 is 54. The following table shows the actual staff against sanctioned strength as on 31.03.2016.

Sl. No	Description of posts	Sanctioned Staff strength	Actual staff in position as on 31.03.2016	Vacant posts
1	Secretary	1	1	--
2	Electricity Ombudsman	1	1	--
3	Director	3	3	--
4	Deputy Director	5	4	1
5	Assistant Director	3	3	--
6	Assistant Secretary	1	1	--
7	Accounts Officer	1	1	--
8	Public Relations Officer	1	1	--
9	Private Secretary	1	1	--
10	Bench Assistant	1	1	--
11	Personal Assistant	8	6	2
12	Assistant	2	2	--
13	Receptionist-cum-Telephone Operator	1	1	--
14	Driver	4	3	1
15	Chobdar	1	1	--
16	Office Assistants	20	17	3
	Total	54	47	7

Tmt. Rashmi Somasekaran Nair who was appointed as Deputy Director (Tariff) on regular basis was deputed to Central Electricity Regulatory Commission to work as Deputy Chief (Regulatory Affairs) from August 2014 for a period of five years.

1.11 Computerization:-

The Commission is having a Windows based server with 33 independent nodes connected through a 10/100 MBPS Local area network. The server is loaded with latest database, operating system and application software and is used to share data among the officers and staff of the Commission. All the officers/staff of the Commission are provided with 16 MBps broadband internet connection to access orders, regulations and codes of the other Electricity Regulatory Commissions.

1.12 Petition Management System (PMS):-

PMS software was developed and is maintained by the Commission which is a web-based application, helps in registration of petition, case scheduler and tracking a petition filed before the Commission. The application enables the users to maintain a consistent watch over the stages of petitions filed before the Commission in the process of decision-making and also it will segregate the petitions according to the stages. This software also keeps past history of the Cases and various types of reports can also be generated depending on the requirement of the users.

1.13 File Movement Register (FMR):-

FMR is a web-based application, which helps in tracking the movement of files and status. The application enables the users to maintain a consistent watch over the movement of various important documents in the process of decision-making. The system has been designed in such a manner that the controlling officer of the Commission/division/section can view the movement of the files along with the time period and could take appropriate decisions.

1.14 CGRF Monitoring System:-

A web application called 'CGRF Monitoring System' has been developed and implemented in the Commission for effective monitoring of the functioning of CGRF & Ombudsman and onward submission to the Forum of Regulators. All the CGRFs have been provided with a unique user id and password to access the application through internet. The software is being used by the 42 CGRFs across Tamil Nadu for submitting their quarterly return.

1.15 Websites:-

The Commission is also periodically updating its website, so as to disseminate the information to consumers/stake holders in an efficient and easy way. Through this website, the stakeholders/public is informed about the regulations and orders passed by the Commission and all the draft regulations, draft orders, draft amendments are posted on the website for Comments/Suggestions before the same is issued by the Commission. Further final regulations, orders, amendments, Hearing Schedule, press Release, directions to licensee are also posted on the website regularly. The Commission also maintains a website for Electricity Ombudsman and the orders, hearing schedule of the Electricity Ombudsman are being uploaded to the website regularly.

2. MAJOR ACTIVITIES DURING THE YEAR

2.1 SMT Order No.8 of 2014 and SMT Order No.9 of 2015

Commission issued Suo-motu Tariff Order SMT Order No.8 of 2014, dated 11-12-2014 for determination of Transmission Tariff and other related charges and SMT Order No.9 of 2014, dated 11-12-2014 for Determination of Tariff for Generation and Distribution.

Against the above Suo-motu Tariff Oder, Appeal Petition Nos. 62/2015, 63/2015, 68/2015 and 71/2015 were filed before the Appellate Tribunal for Electricity. APTEL has upheld the above SMT Orders issued by the Commission.

2.2 Comprehensive Tariff Order on Solar Power

Consequent to floating of consultative paper on comprehensive tariff order on solar power, Solar Tariff for Solar PV and Solar Thermal projects was determined in accordance with the Electricity Act 2003, National Electricity Policy, Tariff Policy and Tariff Regulations vide Order No.2 of 2016 dt.28.3.2016. The following parameters were the determinants for arriving at the tariff.

TARIFF COMPONENTS & TARIFF

Tariff Components	Solar PV	Solar Thermal
Capital Cost	Rs.5.05 Crores per MW	Rs.12 Crores per MW
CUF	19%	23%
Operation and Maintenance expenses	1.4% of Capital cost with escalation at 5.72% p.a from second year	1.4% of Capital cost with escalation at 5.72% p.a from second year
Insurance cost	0.35% of net asset value	0.35% of net asset value

Debt-equity ratio	70:30	70:30
Term of loan	10 years + 1 year Moratorium	10 years + 1 year Moratorium
Interest on Loan	13%	13%
Working capital components	One month O&M cost and Two months Receivables	One month O&M cost and Two months Receivables
Interest on Working capital	13.5%	13.5%
Return on Equity	20% pre tax	20% pre tax
Depreciation	3.6% on 95% of Capital cost	3.6% on 95% of Capital cost
Auxiliary consumption	Nil	10%
Discount factor	10.21%	10.21%
Levelised Tariff without AD	5.10	11.12
Levelised Tariff with AD	4.56	9.95

Issues like quantum of power purchase, sharing of CDM benefits, Billing & payments, Energy Purchase Agreement, Control period were dealt in the order. Other issues related to Open Access charges viz. Open Access & Line Losses, Cross Subsidy, Reactive Power Charges, Grid Availability Charges, Energy Charges, Energy wheeling agreement fees, Security Deposit, Power Factor Disincentive, Metering, Connectivity & Power Evacuation, Harmonics were dealt in the order. Detailed working sheet for tariff calculation with and without accelerated depreciation was annexed in the order in addition to stakeholders comments & minutes of the SAC meeting.

2.3 Comprehensive Tariff Order on Wind Energy

Consequent to floating of consultative paper on comprehensive tariff order on wind energy, the tariff for wind energy generators was determined in accordance with the Electricity Act 2003, National Electricity Policy, Tariff Policy and Tariff Regulations vide Order No.3 of 2016 dt.31.3.2016. The following parameters were the determinants for arriving at the tariff.

Tariff Components	Values
Capital Cost	Rs.6.2 crores/MW
CUF	27.15%
Operation and maintenance expenses	1.1% on 85% of capital investment and 0.22% on 15% of the capital investment with an escalation of 5%
Insurance	0.75% on 85% of the capital cost for the first year and to be reduced by 0.5% every year

Life of plant and machinery	25 years
Term of Loan	10 years with 1 year moratorium period
Interest on Loan	13.00%
Working Capital components	One month O&M cost and two months receivables
Interest on working capital	13.50%
Return on equity	20% (pre-tax) per annum without linking it to MAT and IT
Debt-equity ratio	70:30
Depreciation rate	3.60% per annum
Discount factor	10.21%

The tariff for wind power worked out to Rs.4.16 per unit without accelerated depreciation benefit and Rs.3.70 with accelerated depreciation benefit. Issues of quantum of power purchase, sharing of CDM benefits, billing and payments, energy purchase agreement and control period were dealt in the order. Other issues related to open access charges, cross subsidy, reactive power charges, grid availability charges, energy charges etc., were dealt in the order. Detailed working sheet for tariff calculation with an without AD was annexed to the order in addition to stake holders comments, and minutes of SAC meeting.

2.4 Order on Pooled cost of power purchase

The order on Pooled cost of power purchase for the year 2015-16 under TNERC(Renewable Energy Purchase Obligation) Regulations,2010 was issued on 7.3.2016.

2.5 Details of other orders issued:

Sl. No.	Order No. and Date	Details of Order
1.	T.O. No. 4 of 2016, dated 31-03-2016	Comprehensive Tariff Order for Bagasse based Cogeneration Plants
2.	T.O. No.5 of 2016, dated 31-03-2016	Comprehensive Tariff Order for Biomass based Power Plants
3.	Order No. 1 of 2016, dated 05-02-2016	Order on Interest on Security Deposit from Consumers for the year 2015-16.
4.	Order No. 5 of 2015, dated 14-10-2015	Provision of Tariff Subsidy for the year 2015-16 by the Government of Tamil Nadu.

2.6 State Advisory Committee:-

As per section 87 of the Electricity Act, 2003, the State Commission may, by notification, establish with effect from such date as it may specify in such notification, a Committee to be known as the State Advisory Committee.

The State Advisory Committee shall consist of not more than 21 (twenty-one) Members to represent the interests of commerce, industry, transport, agriculture, labour, consumers, non-governmental organizations and academic and research bodies in the electricity sector.

The Chairman of the Tamil Nadu Electricity Regulatory Commission is the ex-officio Chairperson and the two Members of the Commission and the Principal Secretary to Government, Co-operation, Food and Consumer Protection Department are ex-officio members of the State Advisory Committee. The State Advisory Committee was reconstituted on 18-3-2014. The reconstituted State Advisory Committee has sixteen members representing the interests of Government, Distribution Licensee, new and renewable energy sources, small industries, commerce, industry, transport, consumer, non-governmental organizations and academic & research bodies in the electricity sector.

The Members of State Advisory Committee as on 31.3.2016 stood at 17 including the four ex-officio members and the same are furnished below.

1	Thiru. S. Akshayakumar Chairman, Tamil Nadu Electricity Regulatory Commission No.19-A, Rukmini Lakshmi pathy Salai (Marshalls Road) Egmore, Chennai 600 008.
2	Thiru. G. Rajagopal, Member, Tamil Nadu Electricity Regulatory Commission No.19-A, Rukmini Lakshmi pathy Salai, Egmore, Chennai 600 008.
3	Dr. T. Prabhakara Rao, I.A.S., (R) Member, Tamil Nadu Electricity Regulatory Commission No.19-A, Rukmini Lakshmi pathy Salai, Egmore, Chennai 600 008.
4	The Principal Secretary to Government Co-operation, Food & Consumer Protection Department, Secretariat, Chennai 600 009
5	The Principal Secretary to Government Energy Department Secretariat, Chennai 600 009
6	The Chairman & Managing Director Tamil Nadu Electricity Board Limited and Tamil Nadu Generation and Distribution Corporation Limited 144, Anna Salai, Chennai 600 002
7	The President Tamil Nadu Small and Tiny Industries Association (TANSTIA) No.10, GST Road, Guindy, Chennai 600 032.

8	The Chairman Confederation of Indian Industry (Tamil Nadu) 98/1, Velachery Main Road Guindy, Chennai 600 032.
9	The Chief Electrical Engineer Southern Railways, Chennai 600 003.
10	Thiru. R. Poornalingam, IAS (Retd) No.14, First Cross Street Indira Nagar, Chennai 600 020.
11	Thiru. G.S. Rajamani Villa No.367, Adarsh Palm Retreat Outer Ring Road (Near Intel) Bellandur P.O., Bengaluru - 560 103.
12	Thiru. T. Vellaiyan State President Tamil Nadu Viyabarigal Sanga Peravai No.44, Nelvayal Salai Perambur, Chennai 600 011.
13	Thiru. K. Alagu Vice President Tamil Nadu Chamber of Commerce and Industry No.178-B, Kamarajar Salai, Madurai - 625 009.
14	Dr. A.S. Kandasamy 15/52, Sairam Thottam Athapur (Post), Rasipuram Taluk, Namakkal 636 301.
15	Thiru. K. Kathirmathiyon Secretary Coimbatore Consumer Cause 25, Periyar Nagar 4 th Street Vadavalli, Coimbatore 641 041.
16	Dr. K. Selvaraj New No.12, Thiru Nagar Singanallur, Coimbatore 641 005.
17	Thiru. T. Vijayarangan Secretary Anna Labour Union Old No.167, New No.394 Kabali Vanabhojana Thottam Raja Annamalaipuram, Chennai – 600 028.

The Secretary of the Commission is the Secretary of the State Advisory Committee. So far the Commission had conducted twenty seven meetings of State Advisory Committee. During the year 2015-2016, the 29th meeting of the State Advisory Committee of TNERC was held on 17.03.2016 at Gulmohar Hall, Hotel GRT Grand. T. Nagar, Chennai 600 017 to discuss the following consultative papers as Agenda.

1. Comprehensive Tariff Order on Wind Energy.
2. Comprehensive Tariff Order on Solar Power.

3. Comprehensive Tariff Order on Biomass based power plants.
4. Comprehensive Tariff Order for Bagasse based Co-generation

3. ACTIVITIES PROPOSED FOR THE NEXT FINANCIAL YEAR 2016-17

1. To issue the Retail Tariff Order for TANGEDCO.
2. To issue the Transmission Tariff Order for TANTRANSCO.
3. To notify the interest on Security Deposit received from the Consumers.
4. To consolidate Codes, Regulations, etc. (up to 31-03-2016)
5. To finalize and approve the capital cost for Samalpatti Power Company Pvt. Ltd. and Madurai Power Corporation Pvt. Ltd.
6. Issue of Intra State Availability Based Tariff regulations and Forecasting, Scheduling, Deviation Settlement and related matters of Wind and Solar generation sources regulations.
7. Amendment to Grid Code in accordance to amendments issued to the Indian Electricity Grid Code.
8. Approval of Capital Investment Plans of TANGEDCO and TANTRANSCO for 2014-15, 2015-16 and for the next MYT period.

4. PETITIONS RECEIVED

Sl. No.	Type of Petition	Pending at the beginning of 2015-16	Petitions admitted	Orders passed	Pending for Orders	Pending as on 31-3-2016
1.	Dispute Resolution Petition	124	26	5	21	124
2.	Review Petition	1	5	5	-	1
3.	Miscellaneous Petition	123	55	62	8	108
4.	Power Purchase Approval Petition	6	17	7	2	14
5.	Suo-motu Petition	7	3	1	1	8
	Total	261	106	80	32	255

4.1 Petitions / Appeals pending before the Appellate Tribunal as on 31-3-2016:

1. Appeal No.187 of 2015 filed by TANGEDCO against M/s.B & G Solar in the matter of refund of evacuation charges.
2. Appeal No.100 of 2015 filed by TANGEDCO against M/s.JSW Steels in the matter of imposition of Renewable Purchase Obligation on the Co-generators and denial of

adjustment of the energy generated out of their generating plants for the purpose of renewable purchase obligation.

3. Appeal No.278 of 2015, 293 of 2015, 23 of 2016 and 24 of 2016 filed by M/s.JSW Steels, TNPL and TANFAC against TANGEDCO in the matter of Renewable Purchase obligation on the part of the Co-generating plants.
4. Appeal No.118 of 2015 filed by TANGEDCO against M/s.TCP Limited in the matter of failure on the part of M/s.TCP Ltd to supply power as per the contracted quantum and the consequential payment of price for the energy supplied as applicable to infirm power.
5. Appeal No.53 of 2016 filed by TANGEDCO against M/s.Century Flour Mills Ltd in the matter of priority of adjustment of energy generated by wind mills.
6. Appeal No.62 of 2016 filed by TNPL against TANGEDCO in the matter of status of the generators vis-à-vis non-conventional sources and the parity of treatment in adjustment of energy for the purpose of renewable purchase obligation and the exemption of co-generators from the purview of renewable purchase obligation.
7. I.A. No.51 & 52 of 2016 in DFR No.2565 of 2015 filed by M/s.Energy Watchdog challenging the Solar Tariff of Rs.7.01 fixed by the Commission.
8. Appeal No.36 of 2016 filed by TANGEDCO in the matter of retrospective collection of excess demand and energy charges during peak hour.
9. Appeal No.27 of 2016 filed by TANGEDCO against M/s.Century Flour Mills Ltd in the matter of priority of adjustment of energy generated by the Wind Mills.
10. Appeal No.239 of 2015, 240 of 2015 & 241 of 2015 filed by M/s.IWPA against TANGEDCO and Appeal No.203 of 2015 filed by M/s.TANTRANSCO against M/s.IWPA in the matter of split verdict in the matter of Must Run Status.
11. I.A.No.454 of 2015 in DFR No.2272 of 2015 and I.A.No.455 of 2015 in 278 of 2015 filed by M/s.JSW Steel Pvt Limited against TNERC.
12. Appeal No.67 of 2014 and Appeal No.68 of 2014 in the matter of M/s.OPG Power Generation Pvt Limited Vs TANGEDCO in the matter of adoption of lowest indigenous fuel cost for the infirm power supplied – since disposed.
13. Appeal No.96 of 2016 filed by TANGEDCO against the order of the Commission which allowed only Average Rate of Realisation as against the actual cost generation claimed by TANGEDCO in regard to Basin Bridge Sub-Station.
14. Appeal No.118 of 2016 filed by M/s.Welspun Renewable Energy Pvt. Limited in the matter of fixation of Solar Tariff on the ground that the same is not a State specific and adopts CERC guidelines.

4.2 Cases pending before the High Court as on 31.3.2016:

The number of cases where the Tamil Nadu Electricity Regulatory Commission has been impleaded as a respondent and pending before the High Court as on 31-3-2016 are as follows:

SL. NO.	DESCRIPTION OF CASES	NO. OF CASES
1	Civil Miscellaneous Appeals (CMA)	1
2	Writ Appeals	5
3	Writ Petitions by individuals	53
4	Writ Petitions filed in batches:	360, 12, 8, 71
	Total	510 cases

The details of these cases are as below:-

1. Merger of tariff structure in Review Petition dated 15-3-2003.
2. CMA No.2485 of 2003 in the matter of 15% Surcharge on Arc Furnace Consumption.
3. Directions given by the Commission to explore the options to optimize the cost of power purchase.
4. Challenging of first cum first serve basis in Open Access Regulations.
5. To declare section 86(1) (f) of the Electricity Act 2003 which relates to the powers of the Commission to adjudicate upon disputes as unconstitutional.
6. To declare section 84 of the Electricity Act, 2003 as unconstitutional.
7. To declare the notification No.TNERC/SC/7-10, which enables the licensee to disconnect the service connection of a consumer in cases where there is default in another service connection which stands in the name of the same consumer, as illegal.
8. To treat the IT enabled industries on par with IT industries in the matter of tariff.
9. To seek reduction of proportionate demand charges during unscheduled power cut.
10. Petitions challenging levy of Grid Support Charges.
11. Petition challenging the appointment of Member of the Commission.
12. Petition challenging the amendment of the Commission to NCES Regulation which dispensed with public hearing.
13. Petition filed for challenging imposition of penalty for excessive use of energy during peak hours.

14. Writ Petitions filed against the levy of excess demand and energy charges without subtraction of sources from Indian Energy Exchange.
15. Writ Petition No.4558 of 2011 filed by M/s.Chettinad Cement challenging RPO amendment which seeks to include captive generators and OA customers as obligated entities.
16. Writ Petitions challenging excess demand and energy charges for exceeding quota during peak hours.
17. Writ Petitions in the matter of time barred claim.
18. Writ Petitions in the matter of compounding of theft of energy.
19. Petition filed against the order of TNEB which levied excess demand and energy charges for utilizing power upto the sanctioned demand.
20. Writ Petition filed by power generating companies against the order dated 11-7-2011 of the Commission in PPAP 5 of 2011 in the matter of sale of surplus power.
21. Writ Petition challenging the invitation-cum-open tender issued by TANGEDCO in the matter of purchase of solar energy.
22. Writ Petition No.12390 of 2013 filed by M/s.DCW Ltd and W.P.No.20545/2013 filed by M/s Chemplast Sanmar Pvt Ltd seeking stay of the operation of G.O. issued by the Government of Tamil Nadu in the matter of solar policy and the consequential order issued by the Commission consequent to the said solar policy.
23. Writ Petition Nos. 35335 of 2012 and 31893 of 2012 filed by Tmt. Suseela and M/s SAK Abrasives respectively in the matter of recovery of electricity dues from the erstwhile occupier of the premises – counter filed – No counsel engaged.
24. Writ Petition No.9744 filed by M/s Hi-Tech Carbons seeking amendment providing for participation of co-generation plants in the Renewable Energy Certificate Mechanism and purchase of power from co-generation plants by obligated entities.
25. Writ Petition Nos.22312 of 2010 and 23582 of 2010 filed by M/s.Power Engineers Society of Tamil Nadu and Tamil Nadu Advocates Association challenging the appointment of Member of the Commission.
26. Writ Petition No.15824 of 2011 filed by M/s.Sai Regency Power Corporation against the order of the Commission in PPAP 5 of 2011 in the matter of injection of energy into the grid unauthorisedly.
27. Writ Petition No.22097 of 2013 & 32756 of 2013 filed by M/s.Simran Power Projects in the matter of pooled cost of power
28. Batch of Writ petitions challenging the demand charges on start-up power.

29. Writ petition challenging classification of illumination of bus shelters under Tariff VI (ii) (a) and seeking classification under Commercial Tariff – counter filed – No counsel engaged.
30. Batch of writ petitions filed in the matter of deemed demand charges
31. Writ Appeal No. 774 of 2010 filed by M/s El Forge Ltd filed in the matter of levy of Grid Support charges.
32. Writ petition filed by Tamil Nadu Newsprint & Papers Ltd matter of Deemed Demand Charges on the ground that while the Commission ordered to collect all charges only at the respective consumption end in its order dated 31.7.2012, the TANGEDCO has issued working instructions to collect most of the charges at the generation end and that Commission has ordered to collect the transmission charges at the rate of 40% of Rs.6483 MW per day but TANGEDCO has issued working instructions to collect transmission charges even for the low capacity machines in contravention of the order of the Commission.
33. Writ Petition No.11940 of 2014 filed by Madras Bar Association challenging the appointment of the Chairperson of the Commission
34. Writ Petition No.31537 of 2014 filed one Thiru M.G. Rasool in the nature of quo warranto challenging the appointment of Chairperson and Member (Thiru Rajagopal) of the Commission.
35. Writ Petition No.29175 of 2014 filed by Thiru R. Gandhi challenging the Tariff Order of the Commission.
36. Writ Petition No.283 of 2015 filed by the Communist Party of India (Marxist) challenging the Tariff Order of the Commission.
37. Writ Appeal No.480 of 2011 filed by M/s Sharada Terry Products P. Ltd in the matter of extension cost levied by TANGEDCO (since disposed)
38. Writ Petition No.26925 of 2014 filed by M/s.RBA Exports and other connected writ petitions challenging the levy of compensation for harmonics injection into the Grid.
39. Writ Petitions challenging the withdrawal of deemed demand facility by the Commission
40. Writ Petition No.30699 filed by Anna University seeking re-classification of its Tariff category.
41. Writ petitions in the matter of System and Scheduling charges

42. Writ petition Nos.14953-56 filed by M/s.Terra Energy Ltd and 2 others in the matter of additional security deposit pertaining to start-up power – not defended.
43. Writ Appeal Nos.1257, 1258 & 1261 of 2013 filed by TANGEDCO in the matter of re-imposition of cross subsidy which was earlier relinquished – Commission is a formal party.
44. Writ Petition No.11892 of 2013 filed by M/s.Narasu Spinning Mills – to forbear TNEB from resorting to switching of exclusive Farm 22 KV Feeder to Kinathukadavu SS and for directions to remove 10.4 MS distribution loads – not defended.
45. Writ Petition(MD) No.6979 of 2012 filed by M/s.Sree Jayasubha Spinners – Challenging the restriction on captive power and third party purchase during holidays on the ground that such action amounts to placing restriction on open access – not defended.
46. Writ Petition No. 14325 of 2013 and Writ Petition No. 14556 of 2013 – Seeking to set aside the order of TANGEDCO on the ground that the rights of the petitioner under the lease agreement between the petitioner and SIPCOT is akin to the rights of the owner and hence additional deposit under regulation 5 (5) (vii) (a) is not applicable.
47. Writ Petition filed by M/s Ecogrid Energies P. Ltd seeking enforcement of the competitive bidding held under Section 63 and challenging the solar tariff fixed by the Commission.
48. Writ Petition No.17608 of 20158 filed by Thiru.Rahul Balaji, Advocate to direct the Commission to make submissions on the reasons for non-disposal of DRPs such as DRP No.16 of 2012 filed by M/s.Samalpatti Power Corporation.
49. Writ Petition No.18180 of 2015 and W.P.No.20336 of 2015 in the matter of Must Run Status.
50. W.P.No.17608 of 2015 filed against the non-disposal of DRP No.16 of 2012 filed by M/s.Samalpatti Corporation.
51. W.P.No.8242 of 2012 in the matter of imposition of RPO on Co-generating plants.

4.3 Cases pending before the Supreme Court:

The number of cases filed against the Tamil Nadu Electricity Regulatory Commission pending before the Supreme Court as on 31-3-2016 are as follows:

Civil Appeals	-	23
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Issues in these appeals relate to

1. Appeals filed by TNEB against of the orders of the Appellate Tribunal for Electricity in Appeal Nos 205 & 235/06 which gave directions for taking time value into consideration in regard to wind power producers. Commission is also a respondent in the said appeals

2. CA 1304/2010 filed by Indian Wind Energy Association challenging the order of the Appellate Tribunal for Electricity in the matter of levy of infrastructure charges
3. CA No.2427-2429 filed by TNEB against the order of ATE in Appeal Nos.41,59 and 60 of 2009 in the matter of PPN Power Generating Company
4. CA No. 2859 of 2011 filed by Tamil Nadu Electricity Consumers Association challenging the judgment dated 11.1.2011 of the Appellate Tribunal in Appeal No.119 of 2010 in the matter of jurisdiction of the Commission to levy excess demand and energy charges.
5. Appeal filed by TN Spinning Mills challenging the levy of excess demand and energy charges during peak hours
6. Appeal filed by TNEB against the order dated 11-4-2011 of Appellate Tribunal for Electricity which upheld the order of the Commission in MP Nos. 4 & 7 of 2010 in the manner of levying excess demand and energy charges.
7. Appeal filed against the judgment dated 1-3-2011 of the Appellate Tribunal for Electricity in Appeal No.115 of 2006 which upheld the finding of the Commission in its order dated 1-3-2010 in DRP No.31 of 2009 in the matter of allotment of surrender of OA capacity in case of OPG Energy P. Ltd
8. CA 95 of 2013 filed by TNEB against Sree Rengaraja Power (I) Ltd and Commission in the matter of reduction of wheeling approval
9. CA Nos. 267-268 of 2012 filed by TNEB against the judgment dated 31-7-2010 of the Appellate Tribunal for Electricity in Appeal Nos 192 and 206 of 2010
10. CA 18902 of 2012 and 18924 of 2012 filed by M/s Madras Cements Ltd in the matter of Operation and Maintenance Charges.
11. CA No. 2937 filed by TNEB against the Indian Wind Power Association
12. CA No.706/2014 and CA 5700/2014 between TANGEDCO and Penna Electricity Ltd in the matter of disallowance of underpaid fixed charged and underpaid variable charges.
13. CA No.3960/2013 filed by Tamil Nadu Power Producers Association challenging the judgment of APTEL in Appeal No.102/2012 in the matter of transmission tariff determined by the Commission in its Order No. 2 of 2012.
14. SLP filed by M/s.Indian Wind Power Association challenging the judgment of the High Court of Madras in W.A. No.2839 in the matter of levy of O & M Charges.
15. CA No.10024/2014 filed by M/s Rengaraj Ispat in the matter of usage of start-up power for other purposes.
16. SLP 17879 of 2014 challenging the appointment of Chairperson of the Commission against the orders of the High Court in WP No.24888/2012.

17. C.A.No.1165 of 2015 filed by TANTRANSCO against the Commission in the matter of disallowance of opening equity.
18. SLP No.7845 of 2016 filed by M/s.Xomox Sanmar Pvt Limited in the matter of relinquishment of Cross-Subsidy surcharge.

4.4 Case where TNERC has preferred appeal over Tribunal's decision:

Commission has filed Civil Appeal Nos.1361-1662 in the Supreme Court against the orders of the Appellate Tribunal for Electricity in Appeal Nos.205 & 235 of 2006 which gave directions for taking time value into consideration in regard to wind power producers.

4.5 Cases where TNERC has challenged the orders of Single Judge of the High Court before Division Bench:

- i) WA filed against the orders of Single Judge in the matter of proportionate reduction of MD charges
- ii) WA filed against the orders of Single Judge in the matter of grant of instalments for payment of Additional Security Deposit.
- iii) WP filed by the Commission against the order of the State Information Commission directing to furnish the information without affording an opportunity – In the matter of Thiru V. Gopalakrishnan, FACT India.

Complaint before the 14th MM Court - 1 case

5. TRAINING AND SEMINARS

5.1 Forum of Regulators (FOR):-

In pursuance of the provision under section 166(2) of the Electricity Act, 2003, a Forum of Regulators (FOR) was constituted by the Government of India in February, 2005. The Forum is chaired by the Chairman of Central Electricity Regulatory Commission (CERC). The Chairpersons of all State Electricity Regulatory Commissions (SERCs) are its Members.

The functions of the Forum of Regulators are:-

- Analysis of the tariff orders and other orders of Central Commission and State Commissions and compilation of data arising out of the said orders, highlighting, especially for the efficient improvements of the utilities;
- Harmonization of regulation in power sector;
- Laying of standards of performance of licensees as required under the Electricity Act, 2003.

- Sharing of information among the members of the Forum on various issues of common interest and also of common approach;
- Undertaking research work in-house or through outsourcing on issues relevant to power sector regulation;
- Evolving measures for protection of interest of consumers and promotion of efficiency, economy and competition in power sector; and
- Such other functions as the Central Government may assign to it from time to time.

During 2015-2016, seven meetings of FOR were held which was attended by Thiru.

S. Akshayakumar, Chairman, TNERC as follows.

Meeting No. Date & Venue	Agenda
47 th Meeting 06.04.2015 New Delhi	To consider and discuss the proposed budget of "FOR" for the FY 2015-16
	Proposed Studies and Training Programmes during the FY 2015-16.
	Presentation & Discussion on "Draft Model Regulations on Smart Grid".
	Study Report on "Road Map for Reduction of Cross Subsidy".
	Presentation & Discussion on proposed amendments to the Tariff Policy – Reference from Ministry of Power.
48 th Meeting 10.06.2015 to 11.6.2015 New Delhi	Consideration and approval of Balance Sheet and Audited Accounts of "FOR" for FY 2014-15.
	Reference from MoP on "Reviewing and determination of energy charges for supply of electricity by a generating company to a distribution licensee under already concluded Power Purchase Agreements (PPAs) and where the coal is being sourced from coal mines auctioned or allotted under Coal Mines (Special Provisions) Second Ordinance, 2014 and Rules framed thereunder".
	Presentation and Discussion on "Electricity Supply Monitoring Initiative".
	Presentation and Discussion on the Study commissioned by "FOR" on "Roll-out Plan for Introduction of Competition in Retail Sale of Electricity".
	Recommendations of the Standing Committee on Energy (2014-15) on Electricity (Amendment) Bill, 2014
	Interaction of the Forum of Regulators (FOR) with the Members of Central Advisory Committee (CAC) of CERC.
	Presentation and Discussion on "Model Regulations on Smart Grid".
Reference from DERC on "Rise in electricity tariff in Delhi – Response of DERC to the clarifications sought by Government of NCT of Delhi".	

	Reference of Deviation Settlement Mechanism / UI Charge for tariff purposes
	Presentation and Discussion on the Study commissioned by "FOR" on "Performance of Distribution Utilities"
49 th Meeting 27.07.2015 to 29.07.2015 Ahmedabd	Discussion on "RE Status of CPPs, especially bagasse based co-generation – Benefits of preferential feed-in-tariff vis-à-vis usage of fossil fuel
	Discussion on "Best Practices in Electricity Regulatory Commissions on Demand Side Management and Energy Efficiency in Distribution".
	Discussion on Report of the Sub-Group of the FOR Working Group on "Standardization of Electricity Bill".
	Presentation on "Grid Integration of Renewable Energy" by SLDC/NIWE, Tamil Nadu, SLDC, Rajasthan and SLDC, Gujarat.
	Discussion on "Model Framework for Forecasting, Scheduling, Deviation Settlement Mechanism for Wind and Solar at Intra-State level".
50 th Meeting 29.09.2015 to 30.09.2015 Pune	Model Regulations (State level) for Forecasting, Scheduling and Imbalance handling for variable RE Sources (Wind & Solar).
	Presentation and Discussion on "UMPP for Poor : A step towards ensuring 24x7 power to all".
	Presentation and Discussion on the Report on "Current Worries – Ebbing Performance of India's power sector
	Presentation and Discussion on "Standard Offer Programme – Handbook July 2015".
51st Meeting 30.11.2015 New Delhi	Presentation on "RPO Compliance Framework for Captive/OA transactions at State Level" By USAID, India
	Presentation on "Uday Scheme" by representative of Ministry of Power
	Presentation and discussion on "Vision of 24x7 Power Supply – Desirable Policy and Regulatory Intervention"
	Discussion on "Statutory Advice given by CERC"
	Discussion on "Reference received from Ministry of Communications and Information Technology – Special category of Power Tariff for Telecom Towers"
	Discussion on "Reference from Ministry of Power – Monitoring pending / disposal status of petition filed before it and placing status on its website at State Level"
	Discussion on "Requests for nonfinancial support of FOR from various organizations"
52 nd Meeting 02.02.2016 New Delhi	Revised Tariff Policy, 2016 – Notified by the Ministry of Power, Government of India
53rd Meeting 18.03.2015 New Delhi	Discussion on the issues related to Power Sector in the Economic Survey, 2015-16
	Consideration of the recommendations of the FOR working group on "Designating the new Logo of Forum of Regulators"
	Proposal received in "FOR Secretariat" on constitution of "Forum of Distribution Utilities"

5.2 Forum of Indian Regulators (FOIR):-

A need was felt by the regulators for a common platform to discuss emerging issues in regulatory procedures and practices, to evolve common strategies to meet the challenges before Regulators in India and to share information and experiences. Accordingly a Forum of Indian Regulators (FOIR) was formally registered as a Society under the Societies Registration Act, with the Registrar of Societies in the National Capital Territory of Delhi on 4th February 2000. The Chairpersons and Members of all State Electricity Regulatory Commissions are Members of this Forum. The functions of this Forum are to :-

- Promote transparency in the working of the regulatory bodies
- Protect consumer interest and develop consumer advocacy organisations
- Develop human and institutional capacities in regulatory bodies, utilities and other stake holders
- Research the efficiency and effectiveness of independent regulations and matters incidental thereto.
- Provide an information base on regulatory law and practice and regulatory economics.

5.3 Annual General Body Meeting of FOIR:-

Sixteen Annual General Body Meeting of Forum of Indian Regulators (FOIR) have been held so far. During the year 2015-2016, 16th Annual General Body Meeting of Forum of Indian Regulators (FOIR) was held on 10.6.2015 at New Delhi. Thiru. S. Akshayakumar, Chairman attended the meeting and the following subjects were discussed.

1. Reconstitution of the Governing Body for the FY 2015-16.
2. Annual Accounts of "FOIR" for FY 2014-15.
3. Appointment of Auditors for FY 2015-16 and fixing their remuneration.
4. Budget of FOIR for FY 2015-16.
5. Presentation on Grid Integration of Renewable Energy "International Experience and Lessons for India" by National Renewable Energy Laboratory (NREL), USA

5.4 Governing Body Meeting of FOIR:-

During the year 2015-16, three Governing Body Meetings of Forum of Indian Regulators (FOIR) were held on 10.6.2015 (38th Meeting) at New Delhi, on 13.8.2015 (39th Meeting) at New Delhi and on 1.12.2015 (40th Meeting) at New Delhi. Further, a research conference was convened by FOIR on 1.12.2015 which was attended by Chairman, TNERC.

5.5 Southern Electricity Regulators Forum (SERF):-

The Electricity Regulators in the Southern region, comprising Tamil Nadu, Andhra Pradesh, Kerala and Karnataka meet under the banner of SERF to discuss region-specific issues. The meetings are sponsored by the four Commissions by rotation. The Southern Electricity Regulators Forum was registered as a Society at Bangalore on 15-2-2008. Thirteen Meetings of Southern Electricity Regulators Forum (SERF) have been held so far.

5.6 South Asia Forum of Infrastructure Regulation (SAFIR):-

SAFIR was constituted in May 1999 with headquarters at New Delhi with support from the World Bank and PPIAF (Public-Private Infrastructure Advisory Facility) functioning under the umbrella of the International Forum for Utility Regulation (IFUR). SAFIR's initiatives are guided by a Steering Committee of experienced Regulators from the South Asian region covering India, Pakistan, Sri Lanka, Bangladesh, Bhutan and Nepal and is designed to assist in the building of Regulatory capacity in the electricity and other utility sectors. The objectives of SAFIR are as detailed below:-

- Provide a platform for experience sharing among the Regulators of the region
- Build regulatory decision-making and response capacity in South Asia.
- Facilitate the Regulatory process
- Conduct training programmes to serve regulatory agencies and other stakeholders.
- Spur research on Regulatory issues.
- Provide a databank of information relating to regulatory reform processes and experiences.

The Tamil Nadu Electricity Regulatory Commission is a Member of SAFIR. Twenty two Steering Committee Meetings of South Asia Forum for Infrastructure Regulation (SAFIR) have been held so far. During the year 2015-2016, one Steering Committee 22nd Meeting was held in New Delhi from 14th to 16th January 2016 at Shangri La Hotel. Thiru. S. Akshayakumar, Chairman had attended the above Steering Committee Meeting of SAFIR.

Further during the year SAFIR conducted a Core Course on "Infrastructure Regulation & Reform" from 16th to 18th November, 2015 at the Administrative Staff College of India, Hyderabad in which Thiru. E. Pugazhenthii, Assistant Director (Computer), TNERC attended the said course.

5.7 Technical Committee for Implementation of Framework on Renewables at the State Level

The Technical Committee for Implementation of Framework on Renewables at the State Level was convened at New Delhi on 16.12.2015, 8.1.2016 and 10.2.2016 in which Thiru. S. Akshayakumar, Chairman, TNERC was a Member and he attended the meetings.

5.8 Trainings attended by officers of the Commission:-

In order to acquaint with the emerging technology and regulatory practices, the officers of the Commission were deputed to attend training and seminars on the following topics / issues;

- 9th Capacity Building / Training Programme for officers and staff of Electricity Regulatory Commissions which was attended by Thiru. A.V. Vaikunta Srinivasan, Assistant Director (Finance & Economic Analyst), TNERC at IIT (Kanpur) from 21st to 22nd November, 2015 and with International Component at Singapore for interaction/visits from 24th to 26th November, 2015.

6. REGULATIONS

Consequent to the enactment of Electricity Act 2003 (Central Act 36 of 2003), various Regulations/Codes have been issued by the Commission as stipulated in the Act. The following amendments to the Codes/Regulations were notified during the period from 1.4.2015 to 31.3.2016.

SI. No.	Subject	Notification No.	Date of notification
1	Amendment to the Tamil Nadu Electricity Supply Code, 2004	TNERC/SC/7-38	22.04.2015
2	Amendment to Regulations 7, 12, & 25 of TNE Distribution Standards of Performance Regulations, 2004	SPR 9/1-12	22.07.2015
3	Erratum to Tamil Nadu Electricity Regulatory Commission – State Advisory Committee (Second Amendment) Regulation, 2012	TNERC/SACR/2-41	28.10.2015
4	Amendment to Regulation 3 of TNERC (Renewable Energy Purchase Obligation) Regulations, 2010	RPO 19/4	30.03.2016

7. FINANCE AND AUDIT

In accordance with section 104 of the Electricity Act, 2003, the Government have notified the format for preparation of Annual Statement of Accounts of the Commission vide G.O.Ms.No.50 Energy (A1) Department dated 13-06-2006. Accordingly, the Commission prepares the annual statement of accounts, gets it audited by the Accountant General and places it before the Legislative Assembly.

The Commission receives Grants-in-Aid from Government of Tamil Nadu for meeting its expenditure. A sum of Rs.479.60 lakhs was provided in the Budget Estimate (BE) for 2015-16 to meet the expenses of the Commission.

The revenue of the Commission by way of fees and fines and other miscellaneous receipts during the year are as follows:-

Sl. No.	Particulars	Amount collected during the period from 1-4-2015 to 31-3-2016
1	Agreement Approval Fee	64,500.00
2	Annual Licence Fee - Distribution	1,42,65,600.00
3	Annual Licence Fee - Trading	2,75,000.00
4	Annual Licence Fee - Transmission	1,12,74,500.00
5	Filing fee collection	41,19,162.00
6	Right to Information Fee	956.00
7	Sale of old Newspapers	2,259.00
8	Sale of Office publications	717.00
9	Sale of scrap	1,500.00
	Total	3,00,04,194.00

The amount collected by way of fees and fines are remitted into the Public Deposit (PD) Account at the close of the financial year.

As per section 180 (2) (g) read with section 103 (3) of the Electricity Act, 2003, the Government of Tamil Nadu have notified the Tamil Nadu Electricity Regulatory Commission Fund Rules 2007 and the funds are being operated through "Tamil Nadu Electricity Regulatory Commission Fund" in a public deposit account.

8. TAMIL NADU ELECTRICITY OMBUDSMAN

8.1 Preamble:-

1. The Tamil Nadu Electricity Regulatory Commission framed regulations for consumer Grievance Redressal Forum and Electricity Ombudsman vide notification No. TNERC/CGR & EO/6/1 dated 8-1-2004 and the same was gazetted in the Tamil Nadu Government Gazettee vide Part VI- Section 2 Supplement dt. 18-2-2004.
2. The Tamil Nadu Electricity Board, being the distribution licensee, has established Consumer Grievance Redressal Forums in accordance with Section 42(5) of the Electricity Act 2003 and the regulations referred to in paragraph 1 above.
3. As per Section 42(6) of the said Act, any consumer who is aggrieved by non-redressal of his grievances under section 42(5) , may make a representation for the redressal of his grievance to an authority to be known as Ombudsman to be appointed / designated by the State Commission. As per Sec. 42(7) of the said Act, the Ombudsman shall settle the grievances of the electricity consumers within such time and in such manner as may be specified by the Commission. The Tamil Nadu Electricity Regulatory Commission has established the office of the Electricity Ombudsman and it has been functioning since 3.6.2005.
4. The office of the Electricity Ombudsman is functioning in the premises of the Commission for the present and a web site named [www. tneo.gov.in](http://www.tneo.gov.in) disseminates information to the public about the proceedings before the Ombudsman.

8.2 General:-

1. As on 1.4.2015, 32 nos. of appeal petitions and one number review petition were pending and 107 nos, (104 appeal petitions + 3 review petitions) petitions, were admitted during 2015-16. Out of 140 petitions, 94 petitions (92 appeal petitions + 2 review petitions) have been disposed and 46 petitions (44 petitions + 2 review petitions) were pending as on 31.3.2016. The copies of the orders passed by the Ombudsman in respect of each case disposed have also been marked to Hon'ble TNERC for information.
2. 117 petitioners have filed their petition directly to Electricity Ombudsman without filing any petition before the respective CGRF. They were advised to approach the respective CGRF first and then file an appeal petition before the Electricity Ombudsman if they are not satisfied with the order of CGRF. 147 nos, other petitions received were also forwarded to the licensee for taking necessary action . The licensee was also directed to intimate the action taken on the petition filed to the respective consumers.

3 On an analysis of the appeal petition, disposed it is noted that a considerable number of petitions are filed for refund of the audit short fall amount claimed by the licensee due to defect in the meter. This type of issues could be avoided if the licensee take action to replace the defective meter then and there and adopted the average consumptions as laid in the Regulations for the meter defective period. Further, agriculture service related issues are also raised by the consumers.

4 In order to increase the awareness of the CGRF members about the rules and regulations, the Electricity Ombudsman has conducted an interactive session with the CGRF members as detailed below :

Sl. No	Region	Date	Place
(i)	Chennai Region/North Chennai Region/South & Vellore Region	: 29.9.2015	Chennai
(ii)	Madurai & Tirunelveli Regions	: 16.10.2015	Madurai
(iii)	Trichy & Villupuram Regions	: 23.11.2015	Trichy
(iv)	Coimbatore Region & Erode Region	: 28.11.2015	Coimbatore

8.3 Report of Ombudsman on Standards of Performance of the present licensee, TANGEDCO.

Compensation has been levied on the licensee in the following cases for non compliance of the Standards of Performance Regulations. Barring the above, the standards of performance on the part of TANGEDCO for the period from 1.4.2015 to 31.3.2016 is found to be satisfactory.

S.No	A.P. No.	Amount of compensation	Reason
1.	Thiru. C.R.M.Vijayanathan A.P.No.5 of 2015 dt.10.4.15	Delay in restoration of supply to his service.	Rs.200/-
2.	Thiru. S.Moses Sundersingh A.P.No. 30 of 2015 dt.15.6.15	For not responding to the representation of the consumer.	Rs.250/-
3.	Dr. R. Balasubramanain A.P.No.64 of 2015 Order dt.21.12.2015	Rs.1000/-	Delay in replacing the meter
4	Thiru. S. Antony Jeyapaul A.P.No.78 of 2015 Order dt.3.2.2016	(a) Rs.1000/-	Delay in effecting the service
		(b) Rs.250/-	For not sending reply to the consumer within the stipulated time.

9. MISCELLANEOUS

9.1 Replies to petitions under RTI Act, 2005:-

Thiru.V.Prabukumar, Public Relations Officer of the Commission has been nominated as the Public Information Officer under RTI Act, 2005. The Secretary of the Commission, Thiru. S. Chinnarajalu has been notified as the Appellate Authority. During 2015-16, 75 petitions were disposed of.

9.2 Others:-

The Tamil Nadu Electricity Regulatory Commission is functioning in a rented building owned by Tamil Nadu Industrial Development Corporation Limited located at No. 19-A, Rukmini Lakshmi pathy Salai, Egmore, Chennai - 600 008, in second floor, with a total area of 6450 sq.ft. The Government in G.O. (Ms) No. 60, Revenue LD 5(2) department, dt: 10-2-2014 have issued orders alienating an extent of 8 grounds and 0030 sq.ft. of land in R.S. No.1128/2 part of Mylapore Village to Tamil Nadu Electricity Regulatory Commission for construction of office building free of land cost. This land was taken over possession by the Commission on 5-3-2014. This land was sub-divided as R.S. No.1128/5. Further, the Government in G.O. (Ms) No. 58, Energy (D1) department dated 13-8-2014 have alienated an extent of 0270 Sq.ft. of land in R.S. No.1128/4 part of Mylapore village also for construction of office building of the Commission free of land cost. This land was taken over possession by the Commission on 14-11-2014. The alienated land in R.S. No.1128/2 part and R.S. No. 1128/4 part of Mylapore village in all measuring 8 grounds and 0300 Sq.ft. has 195 feet frontage abutting Dr. Radhakrishnan Salai. Prior to alienation of the above said lands to Tamil Nadu Electricity Regulatory Commission, these lands formed part of Mylapore 230 KV sub-station and in possession of TANGEDCO.

The Chairman cum Managing Director, TANGEDCO in his letter dated 23-4-2014 has requested some modification in the length and breadth of the land allotted to Tamil Nadu Electricity Regulatory Commission so that they will be in a position to have space for constructing 400 KV sub-station without much additional capital expenditure. The total extent of the land alienated to the Commission was not changed. The Commission has agreed to the above proposal and wrote to the Government requesting orders for exchange of 3 grounds and 2300 square feet (9500 square feet) of TNERC alienated land in R.S. No.1128/5 part in lieu of TANGEDCO land in R.S.No.1128/4 part of Mylapore Village measuring an extend of 3 grounds and 2200 square feet (9400 square feet). The

Government in G.O. Ms. No.30, Energy (D1) Department dated 20.04.2015 have issued orders to exchange 9500 square feet of TNERC alienated land in R.S. No.1128/5 part of Mylapore Village in lieu of TANGEDCO land measuring 9400 square feet in R.S. No.1128/4 part of Mylapore Village.

Further, the Collector of Chennai was also addressed by the Tamil Nadu Electricity Regulatory Commission in Commission's letter dated 19-12-2014 requesting alienation of 0100 Sq.ft of Government land in R.S. No. 1128/2 part of Mylapore village which lies in between the land to be retained by Tamil Nadu Electricity Regulatory Commission in R.S. No. 1128/2 part of Mylapore village and the land to be exchanged by TANGEDCO in R.S. No. 1128/4 part of Mylapore village. The orders alienating this portion of 0100 Sq.ft., of land in R.S. No. 1128/2 part of Mylapore village in favour of Tamil Nadu Electricity Regulatory Commission is also awaited.

In the meantime, since the Commission is functioning in a rented accommodation for too long time and the construction of own building might not materialize in the long run, it has been decided to shift the Commission's office to a more spacious building in the newly built TANSIDCO Corporate office building in Thiru-vi-ka Industrial Estate, Guindy IV floor under outright purchase basis after obtaining the Government approval. The terms and conditons of outright sale is awaited from TANSIDCO. The Secretary to Government, Energy Department was also addressed in the Commission's letter dated 19.6.2015 to accord approval for the proposed outright purchase of the IV Floor of TANSIDCO Corporate Office Building in Thiru-vi-ka Industrial Estate, Guindy. Further, in that letter it was informed that the Government may decide re-alloting the TNERC alienated land back to TANGEDCO. The orders of the Government are awaited.

(By order of the Tamil Nadu Electricity Regulatory Commission)

(S. CHINNARAJALU)
Secretary