

CHAPTER – 9
COMPLIANCE OF DIRECTIVES OF TARIFF ORDER FOR
2005-06 AND NEW DIRECTIVES FOR 2006-07

STATUS OF AERC DIRECTIVES : APGCL

AERC Directive – FY 05-06	Action Taken Report	Comments by AERC
<p>Auxiliary Power Consumption for LTPS/NTPS</p> <p>6.14 While appreciating the realities of the situation in NTPS and LTPS, it is felt that there is sufficient flexibility for improving the rates of auxiliary consumption in NTPS and LTPS and APGCL is directed to complete studies to indicate the extent of improvement possible.</p>	<p>A report on Improvement of Auxiliary Power Consumption for LTPS and NTPS to the extent possible is provided at Annexure XI of Tariff Petition for ready reference.</p>	<p>1) It is seen that the report does not contain any information on Auxiliary Power Consumption of NTPS.</p> <p>2) The weighted average monthly auxiliary consumption for LTPS for April to September 2005 at 6.66% is higher than the figure of 5.5% approved in the Tariff Order for 2005-06</p> <p>3) The steps taken for reduction of APC in LTPS is not elaborated in the Report which is to be submitted latest by 30.09.2006.</p>
<p>Revival or Alternate Plan for closed units of LTPS & NTPS</p> <p>3.94 The Commission directs APGCL to submit a report within three months of notification of this tariff order, about revival of / alternate plan for the closed generation units and improvement of PLF of the LTPS and NTPS. It is noted in particular that Unit 5 of NTPS was originally scheduled to return to service in March, 2005 but this has now slipped</p>	<p>Unit 5 of NTPS was under forced shut down since March 2003 due to failure of generator stator coil. M/s BHEL was entrusted with the job of complete repair of the unit including replacement of stator coil. The machine initially scheduled to be recommissioned by March 2005 but the same could not be achieved due to delay in receipt of insulation materials. The machine could, therefore, only be recommissioned on 7th June, 2005. The unit is currently running at an average load of 20 MW.</p>	<p>1. The Commission welcomes incorporation of a clause in the nature of a compensatory provision as 4.03 in the Agreement with OIL.</p> <p>2. In the meeting of the Coordination Forum held on 10th February, 2006, M.D, APGCL was requested to review with the Assam Gas Company on the readiness of the existing pipeline to LTPS to carry the additional gas with a view to achieve the PLF as per tariff order. The report on review not yet received which is to be submitted latest by 30.09.2006.</p>

AERC Directive – FY 05-06	Action Taken Report	Comments by AERC
<p>to June, 2005. The Commission expects that there will be no further slippage and also want to be provided with a copy of the fuel supply agreement with OIL after it is finalized.</p>	<p>Fresh agreement with OIL for securing additional gas supply of 0.5 mmscmd to LTPS (measured million standard cubic meters per day)</p> <p>LTPS had to curtail its generation in the past due to absence of adequate supply of gas. Against an average requirement of 1.0 mmscmd, the current availability is only 0.5 mmscmd. It had, therefore, become critical to negotiate for further 0.5 mmscmd of gas to remove this bottleneck. The fresh agreement executed with OIL for supply of the additional gas will increase generation level and hence, the Plant Load Factor of LTPS. It is expected that the additional gas supply will be made available to APGCL from December, 2006 and this is reflected in the increased level of generation from Lakwa projected from then onwards..</p> <p>A copy of the agreement has already been filed vide letter no ASEB/CE(G)/Tariff/115/Part II/3 dated 12th November, 2005.</p>	
<p>Detailed Business Plans for Next 5 Years</p> <p>11.5 The Commission also requires each of the Licensees to submit detailed business plans for the next 5 years having details of its Capital expenditure and Financing plans as well the future projections of operational performance like losses and collection efficiency.</p>	<p>The work on Business Plans for the next 5 years is underway and it is expected that the same will be completed after the Tariff Filing process for FY 2006-07 is over. Therefore, the utility craves leave to submit the same once they are ready after the Tariff Petition is filed.</p>	<p>Business plan has to be submitted by 30.11.2006 as the future generation and improvement/deterioration in operational efficiency will have direct impact on the Multi year tariff proposal.</p>

AERC Directive – FY 05-06	Action Taken Report	Comments by AERC
<p>Stranded Employees of BTPS & CTPS 6.35 & 11.8</p> <p>APGCL is directed to prepare a plan to reduce stranded employees of the BTPS and CTPS to the minimum required for repairs and maintenance in phases so as to redeploy/eliminate all unnecessary employees by 2007, and submit the plan to the Commission within the next four months.</p>	<p>A report on Plan for manpower rationalization at BTPS and CTPS is provided at Annexure XII of Tariff Petition for ready reference.</p>	<p>It is observed that while some employees of BTPS and CTPS are redeployed to other stations, the full redeployment is yet to be affected. The Commission desires that a minimum manpower should be retained in the non-operative power stations.</p>
<p>Interface Metering Points</p> <p>11.16 The five petitioners are to provide details of interface metering points of the five petitioners for energy accounting, and also the status of accounting as directed by the Commission in the Interim Tariff Order dated 31 March, 2005.</p>	<p>The details of interface metering points between APGCL and AEGCL are provided at Annexure XIII of Tariff Petition. The energy accounting methodology is in the process of being finalised and will shortly be made operational.</p>	<p>The details of energy accounting methodology is not yet intimated to the Commission which is to be intimated latest by 30.09.2006.</p>

AERC Directive – FY 04-05	Action Taken Report	Comments by AERC
<p>Status of Meters Installed at Offices and Premises</p> <p>8.1 The Commission hereby directs the Board to submit a report on the status of meters installed at offices and premises belonging to ASEB, within two months of the publication of this order.</p>	<p>A report on Status of meters installed at offices and premises is provided in Annexure XIV of Tariff Petition.</p>	<p>The matter is noted by the Commission.</p>

AERC Directive – FY 04-05	Action Taken Report	Comments by AERC
<p>Asset Register</p> <p>8.18 The Commission hereby directs ASEB to build an asset register that should include information on the status of the assets mentioned. Within two months of publication of this tariff order ASEB should inform the Commission about the expected time to be taken to build the asset register.</p>	<p>Asset Registers for all the power stations under APGCL have been prepared and updated to March 2004 with data available in this office excepting Chandrapur Thermal Power station. The preparation of asset registers for CTPS is under process and will be completed shortly.</p> <p>However, it is necessary to carry out reconciliation of these asset data with that of Accounts and Finance wing of ASEB, which is presently dealing with the matter. Once it is done, the details will be furnished to the Hon'ble Commission.</p>	<p>The Commission desires that the asset register for APGCL duly completed for all the power stations of APGCL, running and non running be completed before the submission of the next tariff petition.</p>

FY 2006-07 DIRECTIONS

- 1) It is a matter of concern to the Commission that APGCL is failing to keep its own commitment of commissioning dates of Karbi Langpi Hydroelectric Project on several occasions. APGCL is directed to make all out efforts to complete the project and go for its commercial operation at the earliest and in no case should make further slippage from its stated commercial operation from April, 2007.
- 2) The Commission considered explanation given by APGCL regarding high Auxiliary Consumption of LTPS due to requirements of running two sets of Gas Booster Compressor System of stage 1 (4X15) & stage 2 (3X20) when units of both stages are in operation. The Commission hereby directed APGCL to measure actual consumptions by the Gas Booster Compressors separately by installing adequate energy meter to support their claim for consideration of the Commission to grant Auxiliary Consumption in future based on actuals.

- 3) The Commission believes that there is a need to do thorough scrutiny of capital works in progress (CWIP) due to the reason that huge amounts have been shown against this head. As such, the Commission directs the entity to furnish detailed cost break-up of the schemes shown under CWIP along with expected date of completion within two month of issue of this tariff order and, on a quarterly basis there after.
- 4) APGCL is to publish the latest audited balance sheet and profit & loss account each year at the time of submission of tariff petition.
- 5) The Commission directs the APGCL to complete the schemes under Development Fund within the original or, extended date of completion, as applicable. *In case the entity fails to fully implement the schemes in time, the amount by which it falls short of the approved amount of the scheme will be deducted from the ARR of next year.*
- 6) APGCL is directed to comply with the directions issued in the Tariff Order for 2004-05 and 2005-06 as explained above within the time stipulated.

STATUS OF AERC DIRECTIVES : AEGCL

AERC Directive FY 05-06	Action Taken Report	Comments by AERC
<p>Transmission Losses</p> <p>11.6 (a) Transmission Losses – AEGCL is to submit data regarding the current and future level of transmission losses with the next tariff petition for FY 2006-07 including the impact of transmission network projects on the reduction of losses. AEGCL shall attempt to submit transmission line wise</p>	<p>With commissioning of all the projects under ADB, NLCPR etc. transmission losses will reduce to commercially acceptable levels, given the constraints under which it operates. As per the appraisal of Power Sector Development Program, transmission loss is expected to reduce to approximately 7.5% in 2006-07.</p>	<p>1. The commercially acceptable levels of transmission losses to be achieved after commissioning of the projects under ADB, NLCPR etc. are not indicated which are to be submitted along with the Tariff Petition for the next year.</p> <p>2. In the Tariff order for FY 2005-2006, the Commission had set a transmission loss target of 6.25 % for 2006-2007, while the petition had set a target of 7.5% for 2006-07. The variation was not explained. In view of the fact that the actual</p>

AERC Directive FY 05-06	Action Taken Report	Comments by AERC																																																						
energy transactions so that accurate transmission losses can be determined.		transmission loss for 2005-06 was found to be 6.31% as per data submitted by SLDC, the target of 7.5% is on higher side 3. Transmission line wise energy transactions was not submitted which are to be submitted along with the Tariff Petition for the next year.																																																						
<p>Transmission Performance Standards</p> <p>11.6 (b) Transmission Performance Standards – AEGCL is to put into place a process to measure the availability of the transmission system along with the other performance measures set out Schedule II of the (Transmission Licensee Standards of Performance), Regulations, 2004. The AEGCL is to submit a report with the next tariff petition for FY 2006-07 describing the current achievements of the performance standards and how they will be improved once the transmission system projects are complete.</p>	<p>Details of Transmission System Availability (Reliability Index) for the period April 2004 to March 2005 are given in Annexure IX of Tariff Petition.</p> <p>Details of Service Reliability Index for the months of August and September 2005 are mentioned in the Table below:</p> <table border="1" data-bbox="459 856 1011 1528"> <thead> <tr> <th rowspan="2">CIRCLE</th> <th rowspan="2">VOLTAGE CLASS</th> <th colspan="2">SAIFI (Nos.)</th> <th colspan="2">SAIDI (Hrs)</th> </tr> <tr> <th>AUG '05</th> <th>SEPT '05</th> <th>AUG '05</th> <th>SEPT '05</th> </tr> </thead> <tbody> <tr> <td>Lower Assam T&T Circle</td> <td>a) 132 KV</td> <td>8</td> <td>9</td> <td>00:48</td> <td>00:49</td> </tr> <tr> <td rowspan="2">Tezpur T&T Circle</td> <td>a) 220 KV</td> <td>6</td> <td>6</td> <td>01:00</td> <td>04:55</td> </tr> <tr> <td>b) 132 KV</td> <td>6.50</td> <td>6.11</td> <td>03:24</td> <td>02:36</td> </tr> <tr> <td rowspan="3">Upper Assam T&T Circle</td> <td>a) 220 KV</td> <td>5</td> <td>0</td> <td>605:21</td> <td>00:00</td> </tr> <tr> <td>b) 132 KV</td> <td>5.5</td> <td>6.8</td> <td>22:39</td> <td>15:06</td> </tr> <tr> <td>c) 66 KV</td> <td>14.7</td> <td>18.1</td> <td>16:57</td> <td>28:35</td> </tr> <tr> <td rowspan="2">C & C Circle</td> <td>a) 220 KV</td> <td></td> <td>5</td> <td></td> <td>8:01</td> </tr> <tr> <td>b) 132 KV</td> <td></td> <td>6</td> <td></td> <td>12:16</td> </tr> </tbody> </table>	CIRCLE	VOLTAGE CLASS	SAIFI (Nos.)		SAIDI (Hrs)		AUG '05	SEPT '05	AUG '05	SEPT '05	Lower Assam T&T Circle	a) 132 KV	8	9	00:48	00:49	Tezpur T&T Circle	a) 220 KV	6	6	01:00	04:55	b) 132 KV	6.50	6.11	03:24	02:36	Upper Assam T&T Circle	a) 220 KV	5	0	605:21	00:00	b) 132 KV	5.5	6.8	22:39	15:06	c) 66 KV	14.7	18.1	16:57	28:35	C & C Circle	a) 220 KV		5		8:01	b) 132 KV		6		12:16	<p>1. There are 8 performance measures set out Schedule II of the (Transmission Licensee Standards of Performance), Regulations, 2004. AEGCL had given details of Transmission System Availability (Reliability Index) for the period April 2004 to March 2005 and Service Reliability Index for the months of August and September 2005 for its four circles .Achievements against other 6 measures are not submitted. A Report on how these measures will be improved once the transmission system projects are completed for the two performance measures above are not submitted which are to be submitted along with the Tariff Petition for the next year.</p>
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<p>Detailed Business Plans for Next 5 Years</p> <p>11.5 The Commission also requires each of the Licensees to submit</p>	<p>The work on Business Plans for the next 5 years is underway and it is expected that the same will be completed after the Tariff Filing process for FY 2006-07 is over. Therefore, the utility craves leave to submit the same once they are ready after the Tariff Petition is filed.</p>	<p>To be submitted latest by 30.09.2006.</p>																																																						

AERC Directive FY 05-06	Action Taken Report	Comments by AERC
<p>detailed business plans for the next 5 years having details of its Capital expenditure and Financing plans as well the future projections of operational performance like losses and collection efficiency.</p>		
<p>O & M Expenditure 11.6 (c) Operations and Maintenance expenditures –AEGCL is to submit a report within the next three months that provides data regarding length of transmission lines, transformation capacity, and number of bays in substations, auxiliary power consumption by substation, and number of staff by organisation unit. The report should also explain how manpower reductions will be achieved given that the new substations do not need to be managed with the same levels of deployment as being done currently due to the use of remote control and monitoring from the new SCADA system.</p>	<p>Details of transmission line length, transformer capacity and number of bays in substations are furnished as per Annexure X of Tariff Petition.</p> <p>Manpower rationalization is being undertaken (as will be evident by referring to Table 3 and Annexure I of the petition). In furtherance to this process, only need based manpower is being put in all the sub stations. With the introduction of SCADA, man power requirement is expected to come down and the same is reflected in the reduced manpower in 2006-07.</p>	<p>1. The Annexure X do not contain data on number of staff by organisation unit. The number of staff by organisation unit before and after use of new SCADA system is required to explain how manpower reductions will be achieved which are not submitted. These figures are to be submitted within three months of issue of the Order.</p>

AERC Directive FY 05-06	Action Taken Report	Comments by AERC
<p>Bifurcated Account of SLDC & AEGCL</p> <p>11.7 ... the functioning of SLDC may have to be considered at arms length from the STU, for which purpose, the accounting of SLDC has to be bifurcated from that of AEGCL. The AEGCL is directed to ensure that this is achieved in time of consideration of ARR and tariff revision for FY 2006-07.</p>	<p>Details of SLDC charge have been included in AEGCL's ARR for FY 2006-07. The details of the same have been furnished in Table 13 of the petition.</p>	<p>1. As per AERC directive, accounting of SLDC has to be bifurcated from that of AEGCL. But it is observed that details of SLDC charges are included in AEGCL's ARR. Later on, AEGCL had submitted separate ARR for SLDC.</p>
<p>Interface Metering Points</p> <p>11.16 The five petitioners are to provide details of interface metering points of the five petitioners for energy accounting, and also the status of accounting as directed by the Commission in the Interim Tariff Order dated 31 March, 2005.</p>	<p>Action plan for interface metering has been taken up. Bids for the same have been invited in September 2005 and first pre-bid meeting was held on 18/10/05. Key dates for this project are as follows:</p> <ul style="list-style-type: none"> • Opening of bid: December 2005 (the same may be extended further to January 2006) • Placement of order: January / February '06 • Despatch of metering: March 2006 • Installation and Commissioning: August 2006 <p>The details of Interface Metering Points are furnished in the table under the heading 'Annexure V : Substation wise Requirement of Meters' in this Tariff Petition.</p>	<p>As per the letter no AEGCL/MD/Tech-273/ 35 Dtd 16.5.06 sent by M.D, AEGCL, the installation and commissioning of the Meters and accessories is expected to be completed by the first week of December, 2006. The Commission will not allow further extension of date of installation and commissioning of the Meters.</p>

AERC Directive – FY 04-05	Action Taken Report	Comments by AERC
<p>Asset Register</p> <p>8.18 The Commission hereby directs ASEB to build an asset register that should include information on the status of the assets mentioned. Within two months of publication of this</p>	<p>A physical inventory of assets is currently under preparation. Thereafter, the detailed asset Register shall be prepared.</p>	<p>The expected time to be taken to build the asset register is not yet informed. The Commission desires that the asset register for AEGCL duly completed for all assets of AEGCL be completed before the submission of the next tariff petition.</p>

AERC Directive – FY 04-05	Action Taken Report			Comments by AERC														
tariff order ASEB should inform the Commission about the expected time to be taken to build the asset register.																		
<p>Insurance Cover of Assets</p> <p>8.6 The Commission hereby directs the Board to analyze the economics of taking required insurance cover of assets, risks associated with employees or third party etc. and submit a report on this matter within three months of issue of this tariff order.</p>	<p>MD, AEGCL, vide his letter dated 16.05.06 informed that the insurance coverage of EHV lines and substation equipments are taken up as shown below. He further stated the coverage of other assets is under process.</p>			<p>A detailed Report on Insurance cover of all other assets is to be submitted along with Tariff Petition for next year.</p>														
<table border="1"> <thead> <tr> <th data-bbox="618 762 769 877">Insurance Firm</th> <th data-bbox="769 762 920 877">Particulars of Assets</th> <th data-bbox="920 762 1068 877">Premium</th> </tr> </thead> <tbody> <tr> <td data-bbox="618 877 769 1014">New India Insurance</td> <td data-bbox="769 877 920 1014">132 KV Tinsukia-Kathalguri</td> <td data-bbox="920 877 1068 1014">Rs. 2,30,299</td> </tr> <tr> <td data-bbox="618 1014 769 1157">Oriental Insurance</td> <td data-bbox="769 1014 920 1157">220 KV BTPS-Agia-Sarusajai</td> <td data-bbox="920 1014 1068 1157">Rs. 5,24,055</td> </tr> <tr> <td data-bbox="618 1157 769 1255">New India Insurance</td> <td data-bbox="769 1157 920 1255">Moriani Sub-Station</td> <td data-bbox="920 1157 1068 1255">Rs. 76,415</td> </tr> <tr> <td data-bbox="618 1255 769 1348">New India Insurance</td> <td data-bbox="769 1255 920 1348">Moriani Sub-Station</td> <td data-bbox="920 1255 1068 1348">Rs. 76,415</td> </tr> </tbody> </table>	Insurance Firm	Particulars of Assets	Premium		New India Insurance	132 KV Tinsukia-Kathalguri	Rs. 2,30,299	Oriental Insurance	220 KV BTPS-Agia-Sarusajai	Rs. 5,24,055	New India Insurance	Moriani Sub-Station	Rs. 76,415	New India Insurance	Moriani Sub-Station	Rs. 76,415		
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FY 2006 – 07 Directions

- 1) The Commission believes that there is a need to do thorough scrutiny of capital works in progress (CWIP) due to the reason that huge amounts have been shown against this head. As such, the Commission directs the entity to furnish detailed cost break-up of the schemes shown under CWIP along with expected date of completion within two month of issue of this tariff order and, on a quarterly basis there after.

- 2) Chairman, ASEB has constituted the “Board of Trustees of ASEB Employees’ Pension Fund Investment Trust” with 11 Trustees including Chairman, ASEB/Successor Companies as President of the Trust. As per the arrangement the maintenance of the trust is vested on AEGCL. As such, AEGCL is directed to see that the fund is properly maintained and utilized and a report on the present status of the fund is to be enclosed with the Tariff Petition for the next year.
- 3) AEGCL is to publish the latest audited balance sheet and profit & loss account each year at the time of submission of tariff petition.
- 4) The Commission directs the AEGCL to complete the schemes under Development Fund within the original or, extended date of completion, as applicable. ***In case the entity fails to fully implement the schemes in time, the amount by which it falls short of the approved amount of the scheme will be deducted from the ARR of next year.***
- 5) AEGCL is directed to comply with the directions issued in the Tariff Order for 2004-05 and 2005-06 as explained above within the time stipulated.

STATUS OF AERC DIRECTIVES : UAEDCL, LAEDCL, CAEDCL

AERC Directive – FY 05 – 06	Action Taken Report	Comments by AERC
<p>T & D Losses – Guwahati-II, Jorhat and Dibrugarh</p> <p>8.1 (a) T & D Losses</p> <p>As the APDRP works have commenced in the three circles, namely Guwahati-II, Jorhat and Dibrugarh, the Commission directs that the concerned Discoms make a study of the reduction of losses gained from investments in these circles and submit the same at least one month before the submission of next tariff petition.</p>	<p>For Guwahati Circle II, feeder-wise energy meters and substation meters are being installed and in some points the same have already been commissioned under the APDRP scheme.</p> <p>Actual T&D loss reduction can be assessed after 100% completion of the above works.</p> <p>The details regarding the APDRP Schemes have been provided in the petition.</p>	<p>1. No target has been given for completion of feederwise metering and substation metering under APDRP which may be intimated within three months from issue of this order.</p> <p>2. Reduction of losses in the three circles, namely Guwahati-II, Jorhat and Dibrugarh consequent to APDRP works may be assessed and intimated to the Commission within three months from issue of the Tariff order.</p>

AERC Directive – FY 05 – 06	Action Taken Report	Comments by AERC														
<p>Billing Efficiency</p> <p>8.1 (b) Billing Efficiency</p> <p>The Commission directs the Discoms that Annual Average of monthly Billing Efficiency should not be less than 95%, Where monthly billing efficiency = Number of consumer billed during the month divided by the number of consumers served by the Licensee at the beginning of month. The Commission further directs that the Discoms furnish a quarterly report on the Billing Efficiency achieved with effect from July 2005 indicating the action taken in respect of the units (Circles/Divisions/Sub-divisions) where the Billing Efficiency is lower for informing the consumers the names of the units and of the officers in their charge.</p>	<p>Billing efficiency for the period April to July 2005 was as follows:</p> <table border="1" data-bbox="657 401 1057 583"> <thead> <tr> <th>April 2005</th> <th>May 2005</th> <th>June 2005</th> <th>July 2005</th> </tr> </thead> <tbody> <tr> <td>89%</td> <td>89%</td> <td>91%</td> <td>89%</td> </tr> </tbody> </table> <p>Company has outsourced the billing activities with a view to achieving higher and improved billing percentages as directed by the Hon'ble Commission.</p> <p>Computerisation of billing is underway and Billing efficiency is expected to stabilize after full computerization is done.</p> <p>Spot billing has been introduced for domestic, commercial and small and medium industrial consumers on a trial basis. Mentioned below is a status report on the use of Spot Billing Machines :</p> <table border="1" data-bbox="657 1104 1057 1808"> <thead> <tr> <th>Name of Sub Division</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>Jalukbari</td> <td>Bill served to 301 nos. of consumers during Sept'05 and Oct'05 for one route only.</td> </tr> <tr> <td>Amingaon</td> <td>Billing by SBM started on Oct'05 but the processed bill could not be served due to detection of some anomalies in the bill. 286 bills served in the month of November '05.</td> </tr> </tbody> </table>	April 2005	May 2005	June 2005	July 2005	89%	89%	91%	89%	Name of Sub Division	Status	Jalukbari	Bill served to 301 nos. of consumers during Sept'05 and Oct'05 for one route only.	Amingaon	Billing by SBM started on Oct'05 but the processed bill could not be served due to detection of some anomalies in the bill. 286 bills served in the month of November '05.	<p>The quarterly report on the Billing Efficiency achieved with effect from July 2005 indicating the action taken in respect of the units (Circles/Divisions/Sub-divisions) where the Billing Efficiency is lower not submitted. The quarterly reports are to be submitted with effect from July, 2006.</p>
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AERC Directive – FY 05 – 06	Action Taken Report		Comments by AERC
	Mirza	47 nos. of bills are served for the month of Oct'05 excluding stop and defective meters and anomalies of average reading.	
	Sualkuchi	40 nos. of billed served for the month of Oct'05	
	Chaygaon	40 nos. of bills served for the month of Oct'05	
	Hajo	SBM delivered, billing under process.	
	Boko	SBM delivered, billing under process.	
<p>Collection Efficiency</p> <p>8.1 (c) Collection Efficiency</p> <p>The Commission directs the Discoms that Annual Average of monthly Collection Efficiency should not be less than 95%,</p> <p>Where monthly Collection Efficiency = Amount realized divided by the amount assessed during month. The Commission further directs that the Discoms furnish a quarterly report on the Collection Efficiency achieved with effect from July 2005 indicating action taken in respect of units where the Collection Efficiency is lower for informing the consumers the names of the units and of the officers in their charge.</p>	<p>Collection efficiency for July 05 was 95%.</p> <p>To achieve the collection efficiency as directed by the Hon'ble Commission, the following actions have been undertaken:</p> <ol style="list-style-type: none"> Regular disconnection drive against non-payment of dues is being made effective. Disconnection prioritisation is being based on the amount and/or age of arrears and accordingly different kinds of notices are being issued to the defaulting consumers. Introduction of spot billing for domestic, commercial and small and medium industrial consumers. Introduction of Automated Meter Reading will not only improve billing but also shorten the revenue cycle time 	<p>The quarterly report on the Collection Efficiency achieved with effect from July 2005 indicating action taken in respect of units where the Collection Efficiency is lower is not submitted. The quarterly reports are to be submitted with effect from July, 2006.</p>	

AERC Directive – FY 05 – 06	Action Taken Report	Comments by AERC
	<p>from consumption to billing and collection and thus improve collection efficiency.</p> <p>e) Opening time of some Cash Counters have been advanced to 9.00 am during working days.</p> <p>f) Cheque drop facilities have also been introduced in some locations.</p> <p>These steps would gradually be extended further and it is expected that these will help in improving the collection efficiency to a great extent.</p> <p>All concerned field units have been directed to take up vigorous disconnection drives and to collect arrears & achieve more than 100% in collection efficiency. Sub Divisional level consumer committees have been formed and communication with consumers has also been improved through setting up of customer care centers.</p>	
<p>Security Deposit Register</p> <p>8.4 C The Commission directs each Company to maintain an up to date Security Deposits Register duly reconciled with their books of accounts ... The Commission directs the licensee should evolve a suitable mechanism for refund the interests accrued on security deposit collected from the consumers and submit a report on the same before the Commission within one month of this order.</p>	<p>Security Deposit Registers at the Subdivision-level have been introduced and are being updated regularly.</p> <p>For payment of interest on security deposit a guideline for the same has been circulated to the offices.</p> <p>An updated status report on this matter will be furnished shortly to the Hon'ble Commission.</p>	<p>A status report on the refund of interests on security deposits for the year 2005-06 not submitted before the Commission. The status report for 2005-06 is to be submitted within three months from issue of this order.</p>
<p>Detailed Business Plans for Next 5 Years</p> <p>11.5 The Commission also requires each of the Licensees to submit</p>	<p>The work on Business Plans for the next 5 years is underway and it is expected that the same will be completed after the Tariff Filing process for FY 2006-07 is over. Therefore, the utility craves leave to submit</p>	<p>The Business plans for each of the Discoms are to be submitted by 30.09.2006.</p>

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detailed business plans for the next 5 years having details of its Capital expenditure and Financing plans as well the future projections of operational performance like losses and collection efficiency.	the same once they are ready after the Tariff Petition is filed.	
<p>Energy Auditing & Distribution Losses</p> <p>11.10 (a) Energy Auditing and study on Distribution losses – The Discoms are required to take up pilot projects to study the exact nature and causes of losses.</p>	<p>Action is taken to conduct a study on energy auditing and distribution losses.</p> <p>11 KV Dadari feeders at 33 KV Amingaon Substation has been taken up for energy auditing as a pilot project.</p> <p>Another two Feeders in Jalukbari Substation have been taken up for energy auditing as pilot project.</p> <p>Existing 11 KV Garpandu feeder of 33 KV Jalukbari Substation has been taken up for implementation of LT less distribution network to reduce the distribution loss as a pilot project.</p> <p>Report on the above studies would be submitted to the Hon'ble Commission in due course.</p>	<p>Report of pilot projects on Energy Auditing and Distribution losses are to be submitted by 30.09.2006.</p>
<p>Divisional/Sub divisional Accountability for Profit, Losses and Revenue</p> <p>11.10 (b) Introduce accountability and responsibility within the divisions and subdivisions and hence look at each of these as profit centers and monitor losses and revenue performance of these centers.</p>	<p>The performance of the individual Divisions and Subdivisions is being closely monitored and necessary action is being taken to proceed in line with the Hon'ble Commission's directive. The process has been initiated to introduce accountability and responsibility at the Division and Sub Division level.</p> <p>MOUs with CEO's, CEO's & EE's of respective Divisions under them, & between respective EE's and SDEs have been signed and responsibility(s) and accountability as profit centre is being fixed.</p>	<p>It was directed by the Chairperson in the meeting to review the implementation of Directives of the Tariff order held on 06.09.05 that MOUs between Chairman/MD and CEO's, CEO's & EE's of respective Divisions under them, between EE's and AEE's and between AEE's and JEs will be submitted to the Commission by October 2005 and the monitoring of performance indicators of the MOUs was to be also reported to the Commission. The profit and loss accounts submitted by CEOs are also to be</p>

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	<p>In furtherance to this objective, the company has introduced a Performance Incentive Scheme as well, on a trial basis. The details of this scheme have been furnished in the petition under the head “Performance Incentive Scheme”.</p>	<p>shared with the Commission. The above are not yet submitted/reported to the Commission which are to be submitted within three months from issue of this order.</p>
<p>Distribution Losses</p> <p>11.11 The three Discoms are to submit data regarding the current and future level of Distribution losses for FY 2006-07 including the impact of Distribution network projects on the reduction of losses no later than three months from the issue of his order.</p>	<p>After completion of various project works under LAEDCL, distribution losses are expected to reduce by a considerable extent.</p> <p>The details of the various initiatives for reduction of distribution losses have been furnished in the petition under the head “Efficiency Improvement Initiatives”.</p> <p>Following the Directives of the Hon’ble Commission and the ongoing Distribution System strengthening program, the distribution loss for LAEDCL has been estimated as 24.9% for FY 2006-07.</p>	<p>Projections on future level of Distribution losses upto next 3 years are to be submitted along with next Tariff Petition.</p>
<p>Billing & Management Information Systems</p> <p>11.12 The Commission recognizes the massive efficiency gains that can result out of effective Computerisation of Billing and Management Information Systems (MIS) and wishes the Discoms to submit soon after this order, a status report of the its Billing and MIS being followed by each of the Discoms.</p>	<p>MIS can be generated only after a full fledged completion and implementation of computerized billing system.</p> <p>Efforts are on to implement computerized billing in most of the IRCA divisions – which deal mainly with high value consumers. However, computerized billing is also being introduced in some of the Electrical sub divisions for domestic and commercial consumers. Total computerization will be implemented after the completion of the CMC Billing project.</p>	<p>The status report of the Computerised Billing and MIS being followed by each of the Discoms.is to be submitted within three months from issue of this order.</p>
<p>Interface Metering Points</p> <p>11.16 The five petitioners are to provide details of interface metering points of the five petitioners for energy accounting, and also the status of accounting as directed by</p>	<p>Interface metering between the Discoms and AEGCL is being done. . A detailed report on the installation of ABT compliant meters that are being installed has been furnished in the petition of Assam Electricity Grid Corporation Limited</p>	<p>As per the letter no AEGCL/MD/Tech-273/ 35 Dtd 16.5.06 sent by M.D, AEGCL,the installation and commissioning of the Meters and accessories is expected to be completed by the first week of December,2006.The</p>

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the Commission in the Interim Tariff Order dated 31 March, 2005.		Commission will not allow further extension of date of installation and commissioning of the Meters

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<p>Metering Installed at ASEB Premises</p> <p>8.1 The Commission hereby directs the Board to submit a report on the status of meters installed at offices and premises belonging to ASEB, within two months of the publication of this order.</p>	Action already taken up and completed; field report awaited. Once the report is received, the same will be filed before the Hon'ble Commission.	A report on the status of meters installed at offices and premises of the Discoms are to be submitted within three months from issue of this order.
<p>Insurance Cover of Assets</p> <p>8.6 The Commission hereby directs the Board to analyses the economics of taking required insurance cover of assets, risks associated with employees or third party etc. and submit a report on this matter within three months of issue of this tariff order.</p>	<p>The process has been initiated and an in depth study of the tariff of various Insurance Companies including Global Insurers is planned to be undertaken.</p> <p>Besides this staff training is also required for this purpose.</p> <p>The above process is expected to take sometime. The Hon'ble Commission will be kept updated on the status.</p>	Progress Report on action taken on Insurance Cover of Assets is to be submitted along with Tariff Petition for next Year.
<p>Un-metered Consumers</p> <p>8.8 ASEB is directed to provide on a monthly basis the number of such [un-metered] consumers (existing and new). Further within three months of the issuance of this order ASEB must conduct a comprehensive study to analyze the energy consumption of a typical consumer of this category.</p>	All un-metered consumers are being metered under APDRP/ ADB scheme. New consumers are being given connection with meters.	The Additional Chief Engineer (Com-Tariff), ASEB vide his petition dated 20.09.05 had given a activity schedule for procurement of energy meters against unmetered consumers under ADB funded schemes. As per the schedule the installation, testing and commissioning of the meters are scheduled to start from 10.05.06 and end on 10.10.07. Quarterly report on the progress of the work is to be submitted from July, 2006 onwards.

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<p>Fixed Charges for Different Consumer Categories</p> <p>8.10 The Commission has rationalized the fixed charges for the different consumer categories. This rationalization has been achieved through two methods, increasing the level of fixed charges and by linking the fixed charges to level of availability ... The Commission directs ASEB to submit along with the next tariff proposal ways and means of extending this scheme to other categories. Moreover the ASEB may even analyze the success of this scheme and suggest modifications to improve its effectiveness.</p>	<p>In furtherance to the Hon'ble Commission's directive, LAEDCL prays to review the Fixed Charges structure introduced by the Hon'ble Commission in terms of its practicability – especially in respect of those consumers whose tariff is currently linked to the average monthly power availability. As in most cases, adequate instrumentation and infrastructural facilities do not exist to monitor availability at individual consumer level, it is proposed to do away with differential fixed charges till such time that the required metering and monitoring mechanisms are not put in place. This will go a long way in increasing transparency and reducing drawn out legal disputes arising out of perceived differences in the average monthly power availability factor and allied issues.</p>	<p>The Commission reviewed the entire issue of availability based fixed charge in view of notification of different Regulations by the Commission. It is felt that the relevant Regulations i.e. AERC Electricity Supply Code and Related Matters Regulations, 2004 will be able to take care of the interest of consumers in this respect.</p>
<p>Strategy to Provide Quality Service and Retain Subsidization</p> <p>8.12 The Commission directs the Board to formulate a strategy to provide quality service and retain the subsidising (where the average tariff is higher than the cost of supply) set of consumers and submit such strategy to the Commission within three months from the date of this order.</p>	<p>LAEDCL has made an attempt to give a signal of providing quality services despite retaining cross subsidy for the needy consumer categories, through the proposed tariff structure.</p> <p>The proposed tariffs are aimed at protecting the life line consumers through a heavily subsidised tariff rate. At the same time, the contribution of other subsidised categories has been marginally increased so that the burdens on the subsidising categories are correspondingly reduced. So whereas on the one hand cross subsidy is continued, on the other hand, the burden of such subsidy on the subsidising categories has been reduced so that the various categories can gradually move towards the average cost of supply. This is in line with the Hon'ble Commission's objective to</p>	<p>In this order, the Commission directs that each DISCOM must set up a separate Load Research Cell which will undertake load survey, consumer profiling and separation of cost more precisely as per requirements of the cost of supply model within two months of the coming into effect of this tariff Order. It is expected that the proposed Management Consultancy Cell will do the works suggested for the Load Research Cell.</p>

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	<p>ultimately move towards Cost of Supply based tariffs.</p> <p>A Management consultancy cell at DISCOM level is also proposed to be set up which will formulate such strategies in future after necessary study (DATA MINING) of past data.</p>	
<p>MRI Downloads and Analysis for HT Consumers</p> <p>8.13 The Commission hereby directs ASEB to evolve a suitable process and mechanism and ensure monthly MRI downloads and analysis for all HT consumers from the month of January 2005. A brief monthly report on the following heads should be submitted to the Commission by 25th of the following month:</p> <ul style="list-style-type: none"> No of HT consumers No of MRI downloads taken No of cases where discrepancies found Amount of additional bills raised Collection against such bills Action taken to prevent such cases in future 	<p>Action is being taken up.</p>	<p>Commission staff has collected MRI downloads for few selected industries from MTI Wing of ASEB. It is directed that a brief monthly report on MRI downloads and analysis of all HT consumers on the heads as suggested in the tariff order for 2004-05 will be sent to the Commission by 25th of following month starting from July, 2006.</p>
<p>Asset Register</p> <p>8.18 The Commission hereby directs ASEB to build an asset register that should include information on the status of the assets mentioned. Within two months of publication of this tariff order ASEB should inform the Commission about the expected time to be taken to build the asset register.</p>	<p>A physical inventory of assets is currently under preparation. Thereafter, the detailed asset Register shall be prepared.</p>	<p>The expected time to be taken to build the asset register is not yet informed. The Commission desires that the asset register for all the Discoms duly completed for all assets of Discoms be completed before the submission of the next tariff petition</p>

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<p>TOD Charges</p> <p>8.20 The Commission directs ASEB to submit an action plan within three months that lists out the ground issues for implementation of Time of Day (TOD) charges for categories other than those where such charges are already in force. ASEB should estimate the time and money that will be required to upgrade metering at consumer premises and an ABC analysis based on which the utility can stagger the implementation and thus reduce the initial investment.</p>	<p>The major factors that will influence the decision on whether or not to implement TOD charges are the following –</p> <ul style="list-style-type: none"> a) Total quantum of energy consumption as TOD charges will be effective only for large consumers. b) Perceived ability of the consumer category to be responsive to differential TOD tariff. c) Estimated benefit to ASEB, of persuading the target consumers to modify their consumption pattern. <p>Notwithstanding the funds constraint being faced by ASEB, the cost of metering is not likely to be a major constraint as the number of consumers affected will be small and the change-over can be done in a phased manner.</p>	<p>As TOD is an effective tool to rationalize demand, the Commission has introduced a three tier TOD charges for a few categories of consumers in 2005-06 tariff order in place of two tier TOD in 2004-05 tariff order. Commission directs that the information on actual consumption under TOD by different consumers will be made available by the Discoms to the Commission within three months of the issue of the order so that the effectiveness of TOD charges can be assessed and the facility can be extended to other categories in the next year's tariff.</p>

FY 2006-07 DIRECTIONS

The Commission directs all the DISCOMs to do the following:

- 1) The Commission believes that there is a need to do thorough scrutiny of capital works in progress (CWIP) due to the reason that huge amounts have been shown against this head. DISCOMs are to furnish detailed cost break-up of the schemes shown under CWIP along with expected date of completion within two month of issue of this tariff order and, on a quarterly basis there after.
- 2) Each DISCOM must set up a separate Load Research Cell which will undertake load survey, consumer profiling and separation of cost more precisely as per requirements of the cost of supply model within two months

of the coming into effect of this tariff Order. The Load Research Cells shall also take up the following works.

- a) Monitor the actual demand created by the Tea category of consumers at least from representative samples, and submit the same to the Commission in the form of a quarterly report.
 - b) Collect data from different categories of consumers under TOD Tariff and submit the same to the Commission for a Database on TOD consumption.
 - c) Collect information regarding use of solar water heating systems in their respective areas, and the total amount of rebate allowed and submit reports along with the next tariff petitions.
- 3) The Discoms are to submit details of the bad debt written-off in FY2005-06 within one month of this order, without fail.
 - 4) Certain areas under LAEDCL are getting power from MeSEB at 11KV at high cost. LAEDCL is to take action for supplying power to these areas through its own network and file an action plan to the Commission in this regard within 3 (three) months from the date of issue of the Order.
 - 5) DISCOMs are to submit the quarterly report on action taken on complaints / grievances raised by consumers in different forums like Consumer Grievance Cell, Consumer Grievance Forum etc. to the Commission.
 - 6) DISCOMs are to keep 10% of total distribution transformers capacity in a Circle as reserve stock for the subdivisions under the Circle to avoid any long outage due to damage of transformers etc. for better service to consumers as stipulated in the AERC Distribution Licensees' Standard of Performance Regulations, 2004.
 - 7) Though AERC has fixed T&D loss target for different years in earlier tariff orders it is observed that the DISCOMs could not achieve the targets in the

previous years. The T&D losses in the UAEDCL are higher than that of other two DISCOMs even though there are large numbers of HT consumers like the tea gardens under UAEDCL. All the DISCOMs including UAEDCL should make all out efforts to reduce T&D losses so as to achieve the targets fixed by the Commission in this tariff order. The DISCOMs should take stern administrative and legal actions against theft of power.

- 8) The APDRP and the Rural Electrification works are to be implemented by all the DISCOMs as per schedule so that the benefits can be reaped by the consumers. Computerisation of billing in all the DISCOMs should be completed as per schedule so that errors in the billing can be eliminated and harassment to consumers may be reduced.
- 9) It is observed that a good number of domestic consumers are using their connections for commercial and other purposes. DISCOMs should take actions against such consumers to avoid revenue loss and submit quarterly report to the Commission.
- 10) DISCOMs are to announce the schedule of load shedding in various media well ahead to avoid inconvenience to the consumers as far as practicable.
- 11) A report on the status of electronic meters on all the 33KV feeders is to be submitted by the DISCOMs within two months of issue of this order.
- 12) All the DISCOMs are to publish quarterly reports on energy audit of the 33KV and 11KV feeders undertaken by them and also the subsequent corrective actions taken by them for information to the consumers.
- 13) The list of high value defaulting consumers along with their arrear dues should be published half yearly by the DISCOMs in the print medium with intimation to the Commission.
- 14) All the DISCOMs are to publish the latest audited balance sheet and profit & loss account each year at the time of submission of tariff petition.

- 15) All the Discoms are to furnish details of 'interest on Security Deposit' refunded to the consumers within one month of this order, without fail.
- 16) The Commission directs the Discoms to complete the schemes under Development Fund within the original or, extended date of completion, as applicable. *In case the entities fail to fully implement the schemes in time, the amount by which they fall short of the approved amount of the scheme will be deducted from the ARR of next year.*
- 17) DISCOMs are to comply with the directions issued in the Tariff Order for 2004-05 and 2005-06 as explained above within the time stipulated.

FY 2006-07 DIRECTIVES FOR ASSAM STATE ELECTRICITY BOARD

- 1) The Commission directs that both ASEB and DLF will file a report before the Commission on the status of the stations of DLF including constraints in fuel or evacuation facilities, if any, along with remedial measures within three months from issue of this Order.