

**Minutes of 6th State Advisory Committee (SAC) Meeting
held on 21.03.2018 at Conference Hall of APERC, Itanagar.**

While welcoming the members present in the 6th SAC Meeting held on 21st March'2018 at the Conference Hall of APERC, Shri Raghunath Prasad Singh, Chairman, APERC narrated in brief the reasons for convening of the meeting. However, he with heavy heart expressed his regret and urge upon the SAC members to maintain at least minimum level of courtesy by informing their in-availability to attend any meeting so convened well before time to the Commission.

Thereafter Sri Rakesh Kumar, Secretary, APERC carried forward the meeting with a power point presentation of the agenda to be deliberated upon along with a specific presentation on proposed blue print for Restructuring of Power Sector in Arunachal Pradesh by the Commission. Emphasis was laid on the organisational hierarchy keeping into consideration the probability that DoP/DHPD might get unbundled and brought under Companies Act'2013 in near future. As obvious, response to this postulation from members was positive and enthusiastic.

Then the views/suggestions of the esteemed members present were sought on the following agenda items.

The list of officers present in the meeting is attached as Annexure-I. The discussion points placed before the SAC are attached as Annexure-II.

1. Restructuring of Power Department:

Beginning with an expression of regret and dismay, Er. Anong Perme, CE(TP&M), DoP urged for more attendance in such type of SAC meeting which is by and large the highest forum where issues pertaining to Power sector can be discussed to be recommended to the Govt. for perusal. With the enactment of Electricity Act'2003, most of the states has complied with the act by forming power related corporations in their respective states. That way, Arunachal Pradesh is lagging far behind and a late comer in unbundling of electricity sector. Even Sikkim has devised a mechanism whereby its Power Department is empowered to work as an agency thereby carrying with it certain degree of autonomy in carrying out its policies and programs.

In matters of chairing the higher cadre of posts once power department is brought under the loop of Company act, he was of the view that since electricity is a specialised kind of subject; therefore, the Chairman/MDs etc. should hail from the Engineering fraternity. They being accustomed to intricacies of dealing power sector matters may be the right persons to head a power company. Instances of Discoms headed by bureaucrats and subsequent failure in the process are in galore. The cause of failure may be attributed to their lack of exposure to Power industry. Hence, the need to vouch for engineers at the helm of affairs in a company. Cited an example of NEEPCO, NHPC, PGCIL etc. which are not run by bureaucrat but are performing and doing well with the professionals of the industry.

He was unequivocal in the fact that no politician should head the Govt. company as CMD, otherwise the very purpose of efficiency and accountability will fail and the company so formed shall meet the same fate as in the case of few corporations undertaken by State Govt. in the past. A.P. Forest Corporation, A.P. Mineral Development Corporation, Parsuram Cement factory, Nigmoi Fruit Processing Plant etc. can be cited as examples of corporations that could not sustain/perform up to the expectation.

Sri Taru Talo (Director, Industries), Sri Y.D. Thongchi, President Arunachal Pradesh Literary Society and former CIC, both fully agreed with Er. Anong Perme's suggestion in matters of who should head the Power Company, if formed.

To add further, Er. Marki Loya, Director, APEDA cited examples of Nigmoi Fruit Processing Plant, APIDFC and APEDA. Both the undertakings are either defunct or underperforming utilities simply because a politician dons the post of Chairman/MD. He too supported the suggestions of Er. Anong Perme and bets for an Engineering professional rather than a politician or bureaucrat to head the Company.

Er. Gumdo Doji also stood by Er. Perme's suggestion. He believed that unless adequate autonomy is not given to DoP, not much can be expected in its performance. Instead of depending on the central govt. for funds, State Govt. should convert DoP ~~and make it~~ to a Govt. company so that there is minimum dependence on either the state or the central govt. for its sustenance. The case of Nagaland Power Department going corporate was placed before the house for information and emulation.

Er. Jummar Kamdak, CE(DHPD)WZ also echoed the suggestion put forward by Er. Anong Perme. Argued that DoP/DHPD is already far behind in adoption of Company's Act 2013 amended. The same was further substantiated by Sri Ojing Darung, Labour Commissioner. He also felt that instead of having two posts of Chairman and MD, one person should head the organisation in the capacity of Chairman cum MD (CMD) for better decision making and better hold over the company.

Rejoinder: Sri R.P. Singh, Chairman APERC opined that down the line of CMD, 2 posts in the rank of Executive Directors (EDs) can be incorporated in the organizational hierarchy.

Finally, the house expressed their voice in unison on the following:

- That the process of restructuring of power department should be accelerated.
- That the Power Company, if ever formed, should not be headed by a Politician. It should preferably be chaired by Engineers with E/M background at the top echelons.

- That there should be a single post of CMD instead of having two different post as Chairman and MD for quick delivery in terms of decision making, execution and follow up.

2. Strategy to reduce Transmission and Distribution Losses (T&D):

Er. Gumdo Doji, CE(Power) WEZ informed that in the first phase 10 towns have been adopted under IPDS but unfortunately, the scheme itself has come under litigation due to which it could not take off as expected. In the 2nd phase of IPDS, 36 towns are to be covered but the sanction for the same is yet to be made. Once IPDS scheme gets into full swing, reduction in T&D Losses will drastically fall down. As of now, the onus of metering is being taken care of by Casual labourers/WC staffs in the absence of officers who are more often busy in attending departmental meetings. He also informed the house that during the implementation stage of APDRP around 10 years back, meters were procured and a considerable no. of them are lying in defunct state in storerooms. On the suggestion of Er. Perme, he assured to get verified and checked the exact nos. and conditions of the meters to see whether they are still usable.

Rejoinder:

Chairman, APSERC advised Chief Engineer(Power) WEZ to get done metering done under supervision of the JEs. He also suggested that all JEs/AEs/EEs should be made to undergo capacity building from time to time to enhance their knowledge and remain up to date on the latest know-how in the field of electricity reforms.

On the existence of independent agency for energy auditing, he denied of having any.

Er. Gumdo Doji informed that govt. has paid Rs.116 crores to clear the outstanding dues of Govt. deptts for the FY 2016-17. He exuded confidence that installation of pre-paid energy meters mandatorily in Govt. offices/buildings may be achieved by the end of FY2019-20. Er. Perme requested APSERC to impress upon the authorities concerned and extend statutory support to Deptt. of Power in the process so that it can be achieved in the given time.

On the advice of Chairman, APSERC to CE(Power) WEZ that DoP should compile the data feeder wise, Er. Perme assured the house that division wise data such as energy input to the division, Energy consumed and energy delivered to the other division etc. of the state shall be made available to the Commission soon. In the same note, Sri Y.D. Thongchi emphasised on the necessity to maintain an accurate data of energy availability and consumptions without which there will never be any commercial match between input and output energy. Er. Gumdo Doji assured to fix accountability with meter readers. Necessary instructions shall be issued to JEs/AEs/EEs to monitor personally from time to time the activities of meter reading in their respective sections/sub-divisions.

The Commission also advised DoP, to undertake Meter Reading/ Billing/Payment etc. for distribution of electricity in a designated area through a franchisee to improve billing and collection efficiency. Er. Anong Perme informed the house that DoP once tried this model but couldn't find any takers.

Mrs. Jarjum Ete however, also advocated for such move to sincerely appoint franchisee through/to local community groups/ panchayats members/ AP Women Welfare society etc. by giving reasonable financial support in turn.

Rejoinder: Chairman APSEERC proposed for adopting the system of meter reading at different levels of JEs and AEs or EE to have surprise check and get certified accordingly.

3. Awareness Programme in Public Interest:

Mrs. Jarjum Ete vouch for roping in the community services through panchayats. They can be persuaded to get involved in awareness campaigns. Given financial support, she went further saying that the A.P Women Welfare Society can recruit and train cadres for Awareness campaign to tour rural areas subject to their engagement for at least 1 year. Confiding on the fact that women are sincerer, serious and economical in usage of energy, entrusting women bodies may boost the Awareness campaign mission in a significant manner.

Sri Rakesh Kumar, Secretary APSEERC reminded the house that in order to create more awareness the Discom has to do the following:

i. Print the address and contact nos. of CGRF of respective circle for all to see but is yet to be complied with.

ii. Advertisement on newspapers/mass media for creating awareness.

Updating on the CGRF and its activities, Er. G. Doji appraised that all SEs under WEZ has been conveyed of the CGRF and its functioning, but till date only CGRF, Naharlagun Circle appears to be functioning. Since, he is new to this concept, he expressed hope that he shall look into to get a better picture in days ahead.

4. Consumer Issues:

As regards introduction of E-services like SMS alerts for shutdown/load shedding, on-line payment, filling of online complaints etc. it is not possible unless DoP is corporatized. With so much of interference and lack of autonomy in policy making and funding, it will remain a distant dream.

5. Smart Grid action plan of DoP in Smart City - Pasighat & Itanagar.

Er. Perme informed the house that so far no communication has been received from either of the Smart City state working agency. Perhaps, as he opined, the authorities might be contemplating to hire independent consultants to prepare the blue print. However, with three 132/44 kv sub stations in each smart city and the works being undertaken by PGCIL, it is expected that both the smart cities are well equipped to take off smart city plan ~~face the~~ Going a step further, the Transmission line from Itanagar to Gerukhamukh; from Gerukhamukh to Likabali and finally from Likabali to Pasighat via Niglok has already been laid.

Er. Anong Perme also added that there is already a proposed OPGW (Optical ground wire)/UGFO (Underground Fibre Optic) network plan for Arunachal Pradesh under SLDC project which covers the whole of Arunachal Pradesh which covers the complete communication network right from SLDC control room, Itanagar, Lekhi, Ranganadi, Zero, , Sagale to SLDC, Itanagar back.

6. Steps for improvement of DHPD:

Er. Jummar Kamdak, CE(DHPD) WZ appraised that under his supervision they are working on a proposal to explore Public Private Partnership (PPP) model for operation & Maintenance of some bigger SHPs in order to increase the generation of the plant. He was confident of submitting the same by May/June to commission for vetting and to be submitted to Govt. thereafter.

7. Status of implementation of Grid Interactive Solar Roof Top PV Systems in Govt. & Private Buildings/Power Policy:

A Committee was constituted to frame the Draft Solar Power Policy of AP and draft was finalized in 2017, but could not be notified till date wherein APEDA sanctioned by APEDA target of total 10MWp (Residential, institutional and social sectors) of Grid Connected Rooftop solar PV System to in the variables of 5KW-500KW with a completion time period of 18 months. EoI for Empanelment of Channel Partners for implementation of this Programmed has also been called, 9 Parties have participated and out of them 6 parties have been empaneled and target distributed.

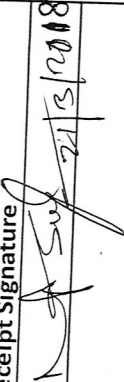
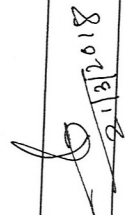

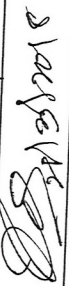

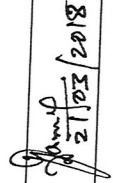
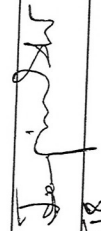

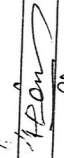
However, the draft solar power policy of Arunachal Pradesh couldn't take off as it has been turned down. In the absence of notification on Solar Power Policy, the APEDA is handicapped to implement the scheme.

To sum up the discussion, Sri R.P. Singh, Chairman, APSERC expressed optimism and call for immediate corporatisation of DoP/DHPD so that with the required autonomy as prevalent in Companies, they can together bring about a holistic reformation in the power sector of the state based on the principle of efficiency and accountability. With this, he took the permission of the house to wind up the 6th SAC meeting.

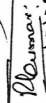
Encl: Annexure I &II.

Sd/-
(Rakesh Kumar)
Secretary Cum Convener of SAC
APSERC, Itanagar.

ATTENDANCE SHEET FOR SAC MEETING ON DATED 21/03/2018

S/no	Name	Receipt Signature
1	Chairman, APSEAC Commissioner (Finance), Govt of A.P	 21/3/2018
2	Commissioner (Power), Govt of A.P	
3	Secretary Consumers Affairs & PDS	
4	Chief Engineer (Power), Western Elect. Zone, DOP, Itanagar, A.P	 21/3/2018
5	Chief Engineer (Power), Eastern Elect. Zone, DOP, Itanagar, A.P	
6	Chief Engineer (Power), Transmission, Plg. & Monitoring, DOP, Itanagar, A.P	 21/3/2018
7	Chief Engineer, DHPD, Western Zone, Itanagar, A.P	 21/3/2018
8	President, Arunachal Chamber of Commerce, Naharlagun, A.P	
9	President, Itanagar Bazar Welfare Committee, Itanagar, A.P	
10	President, Naharlagun Bazar Welfare Committee, Naharlagun, A.P	
11	Director (Industries), Govt of Arunachal Pradesh, Itanagar, A.P	 21/3/18.
12	Mr Vijay Vyas, President of Shree Salasar Industries, Lekhi Village, Naharlagun	
13	Managing Director, Devi Engineers Pvt. Ltd	
14	Commissioner, Labour, Govt of Arunachal Pradesh, Itanagar	 21/03/2018
15	Chief Councillor, Itanagar Municipal Council, Naharlagun, A.P	
16	Chief Councillor, Pasighat Municipal Council, Pasighat, A.P	
17	Mrs. Jarjum Ete, Social Activist, Vivek Vihar, Itanagar, A.P	
18	Mr. Y.D.Thongchi, IAS (Retd), Itanagar, A.P	 21/3/18
19	Mr Taba Ajum, The Arunachal Times	
20	Hod (Elect Engg.) NIT, Yupia	
21	Chief Engineer (CEZ), DOP	
22	Chief Engineer (EZ), DHPD	
23	Director, APEDA	

25 Secretary APSEAC, Rokesh Kumar.


21/3/2018

26 Ninya Begam SE (EZ) DHPD
27. Markam Ban Jt. Director APEDA


21/3/18



Agenda of State Advisory Committee (SAC) Meeting to be held on 19/3/2018

Sl. No.	Discussion Points	Action By
1.	<p>Restructuring of Power Department: As decided in the last SAC Meeting a blue print for Re-structuring of Deptt. of Power & Deptt. of Hydro Power is prepared by the Commission and attached for circulation amongst all SAC Members in advance for fruitful discussion during the 6th SAC Meeting - Comments/suggestions by the Members specially Rep. of DOP & DHPD.</p>	<p>Comments/suggestions by the Members specially Rep. of DOP & DHPD.</p>
2.	<p>Strategy to Reduce Transmission and Distribution Losses (T&D losses)</p> <ul style="list-style-type: none"> • Review of the action taken by DOP regarding the following decisions taken in 5th SAC Meeting <ol style="list-style-type: none"> a) Urgent need to implement 100% metering preferably pre-paid meters within a time line- Status and further action plan of DOP. b) Urgent need to establish Govt. accredited Labs for Meter testing- Whether included in current or next Business/Action Plan c) Maintaining of energy cash book by each sub division for proper Energy auditing by an independent agency every year- whether being done specially in 9 nos. IPDS Towns as DT and Feeder Metering is stated to be complete there. d) Outstanding dues of Govt. Deptts. & Installing pre-paid energy meters mandatorily in Govt. offices / buildings w.e.f a cut off date- Whether possible wef 1/4/2018 & Action Plan of DOP in this regard e) Meter Readers should be mandatorily brought into the loop of employees to be made accountable to AT&C losses- Any strategy thought of in this regard by DOP. 	<p>Appraisal by Deptt. of Power (Western, Eastern & Central Zone) in a single PPT or individual PPT as convenient</p>
3.	<p>Awareness Programme in Public Interest</p> <ul style="list-style-type: none"> • Action taken by DOP for popularising Consumers Grievance Redressal Forum and Standards of Performance Regulation • Suggestions how can it be done effectively- By all specially IMC, PMC, Market Committees, Labour Deptt., NIT 	<p>1.Appraisal by Deptt. of Power (Western, Eastern & Central Zone)</p>
4.	<p>Consumer Issues:</p> <ul style="list-style-type: none"> • Reliable and Quality Power- Load forecasting & advance power purchase arrangement as per forecasting 	<p>Approach, action plan and timelines of the Deptt. Of Power on</p>

		these issues.
	<ul style="list-style-type: none"> Improvement in Complaint handling mechanism- Establishing of Call Centres Introduction of E- services like SMS alerts for Shutdown/ load shedding, On- line payment, Filling of Online Complaints etc. 	
5.	Smart Grid action plan of DOP in Smart City – Pasighat & Itanagar	Appraisal by CE EEZ & WEZ
6.	<p>Steps for improvement of DHPD:</p> <p>Review of the Decision taken in 5th SAC Meeting “The DHPD should explore Public Private Partnership (PPP) model for operation & maintenance of some bigger SHPs in-order to increase the generation/ availability of the plant. DHPD need to further work out the modalities/working structure and if required may get it vetted by APSERC.”</p> <ul style="list-style-type: none"> Action taken/progress made by DHPD in this regard; any proposal/blue print prepared by DHPD may be presented 	DHPD- CE Western & Eastern Zone
7.	<ul style="list-style-type: none"> Status of implementation of Grid interactive Solar Roof Top PV Systems in Govt. & Private Buildings- Strategy to popularise amongst masses, action plan to achieve the year wise targets, progress etc. Solar Policy- Main salient features and status of notification 	Presentation by Director, APEDA
8.	Any Misc. Issue with the permission of the Chair	
9.	Working Lunch	APSERC

Time : 10:30 am to 2.00 pm

Venue : APSERC’s Conference Hall