WORKSHOP ON
“ROLE OF CONSUMER REPRESENTATIVES TO FURTHER POWER SECTOR REFORMS IN UTTAR PRADESH”
Nov. 27, 2017

EXPERIENCE SHARING ON CONSUMER ADVOCACY STRATEGIES: RAJASTHAN

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OVERVIEW OF ELECTRICITY SECTOR

- Underwent significant changes in last two decades.
- Better physical infrastructure, but huge population still unconnected or connected with appalling service quality.
- Until 2003, State Legislations had more consideration for Consumer Interests & Protection Compared to the Centre.
- Electricity Act, 2003 has provision for consumer protection.
  - Retained provision for State Advisory Committees at SERC level.
  - Regular public consultations & hearings by Regulatory commissions
  - Provision for Consumer Grievance Redressal Forums at discom level; & Ombudsman at state level.
PROTECTING INTEREST OF CONSUMERS

(OBJECTIVE OF PREAMBLE OF ELECTRICITY ACT, 2003)

HOWEVER...

- While the preamble and the Act included consumers in their considerations, still consumers not given top-most priority.

- Act has failed to outline the nature and level of consumer engagement, especially at the SERC level.
**NEED OF CONSUMER PROTECTION VS. CHALLENGES FACED BY CSO’S**

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<th>Need of Consumer Protection</th>
<th>Challenges faced by CSO’s</th>
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<td>Consumer Satisfaction</td>
<td>Lack of Awareness</td>
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<td>Better Governance</td>
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<td>Represent Public Interest</td>
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<td>Increases Social Acceptance</td>
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<td>Contributes to Democratic Legitimacy</td>
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**HOW TO OVERCOME THE CHALLENGES**

- Awareness Generation and Education to Stakeholders
- Capacity building of Consumer Groups
- Reduce information asymmetry & improve efficacy of consumer groups.
- Action oriented research and advocacy on regulatory/policy issues undertaken by CSOs,
- Create vertical mechanisms complemented by horizontal linkages among stakeholders to take concerns/views from grassroots to policy level & vice-versa.
- Encourage large scale consumer education programmes.
- Collaborate more with local CSOs to undertake activities at grassroots level.
SUCCESSFUL INTERVENTIONS OF CUTS

- CUTS –FES (Friedrich-Ebert-Stiftung) Project on Involvement of Consumers in Power Sector Reforms in Rajasthan, India (2001-2007)

- A Pilot Project on Capacity Building on Electricity Sector in Bangladesh, Nepal and India (2008-2010) (RESA Project)
CUTS- FES Project: Objectives

- Sensitise service providers, regulators and consumers
- Mobilise community participation; Enhance capacities of CSOs and consumers
- Improve allocation & availability of resources; Achieve better & cogent economic reforms

Strategy

- Awareness and Capacity Building
- Network Formation
- Consumers’ feedback and information gathering
- Raising policy issues at appropriate forums
  - At national level
    - Central govt
    - Other consumers’ organizations
  - At the state level
    - RERC
    - State govt
    - Service delivery agency
The Model

- The Regulatory Commission
  - Top Mgt of Discoms
    - Discom officials at Dist. level
      - Feeder level utility staff
  - CULTS
    - Nodal Org. at District Level
      - Block/Village Level CSOs
OUTPUTS AND OUTCOMES

- Institutional Spaces
  - Provided under regulatory framework
  - Advisory Committee
  - Grievance Redressal Mechanism Created under the programme
    - Chaupal baithaks (village meeting)
    - Jan Sunwaiis (public headings)

- Network
  - District level partners
  - Vidyut Sudhar Samitis (electricity reform councils)
RESA Project

Overall Objectives:
- To increase long term capacity of CSOs to improve consumers’ representation as a measure to enhance effectiveness of regulatory regimes in electricity sector.

Project Area:
- Bangladesh, Nepal and India (Rajasthan & West Bengal)

Project Support:
- NORAD (Norwegian Agency for Development Cooperation)
PROJECT MODEL

Network

Bangladesh Partner

Research
Advocacy

CUTS

Research
Advocacy

India Partners

Research
Advocacy

Nepal Partner

Networking

Networking
**Major Activities**

- Field Research & Consumer Base line Survey
- Reference Group Meetings
- Territorial Trainings of CSOs
- Grassroots Interface Meetings
- Advocacy Seminar
- Regional Conference

**Major Outcomes**

- Several pro-people changes in the electricity policy & regulation
- Consumer participation increased substantially.
- An informal network of CSOs working in the power sector at the national level
AT THE POLICY LEVEL

- Ministry of Power recognised ‘Sensitising the Consumers’ as one of the strategic action-point.
- Regulatory Commission released guidelines to Distribution Companies to resolve consumer complains effectively.
- CUTS re-nominated to Commission’s Advisory Committee.
- Greater institutional space exists for consumer movement.

AT THE CONSUMERS’ END

- Amazed to observe senior officials of distribution companies coming out in public.
- Grassroots consumer organisations/activists are working to mould the society’s opinion against malpractices.
- These organisations are better informed about the role of regulator and their obligations towards consumers.
- Jan-Sunvais (public-hearings) achieved building a constructive partnership between consumers and local utility staff.
CREATING AN INFORMAL GRIEVANCE REDRESSAL MECHANISM

- CUTS established “Vidhyut Sudhar Samitis’ at village level in project area.
  - to act as a ‘Watchdog’, and help villagers redress their grievances vis-à-vis power supply.
  - to come out with an informal code of standards for power supply.
KEY RECOMMENDATIONS FOR UP POWER SECTOR

- More representation for CSOs, working on electricity issues, in the State Advisory Committee of UPERC.
- Awareness Generation Programmes - by Regulatory commission & UP govt.
- Consumer education - ensuring participation of weaker sections
- Interventions to reduce Electricity Theft - by Govt., CSO’s and Public.
- Institution setup - for facilitating public intervention (such as the Office of the Consumer Advocate as followed in Karnataka & Delhi).
- Capacity Building - Granting financial assistance to CSO’s
THANK YOU