Synthesis Report

Electricity is one of the key pillars of growth of any economy. Lack of electricity adversely affects every sphere of life and deprives the entire economy of competitiveness of industries and farmers of an important input for production. The per capita consumption of electricity is one of the important indicators for measuring socio-economic development.

In South Asia, historically, governments have been solely responsible for almost every function in the sector. It was not until 1991 that the monopolistic structure of the electricity sector in India made way for a more open and competitive environment, through introduction of reforms package. One of the key features of the reform process was the establishment of an independent regulatory commission to take care of consumer’s interest, as well as ensure their participation in the reform process.

One of the major lacunae of the reform process in West Bengal is that, though the West Bengal Electricity Regulatory Commission (WBERC) has developed various mechanisms for ensuring consumer participation to facilitate an effective bottom-up approach in aspects like framing regulations, setting tariff and addressing consumer grievances, yet a majority of the consumers are still unaware about such consultative processes. The inability of the consumers in participating in the decision-making process often manifests itself in problems such as low quality of service, high electricity tariff, etc.

CUTS, with the support of the Norwegian Agency for Development Cooperation (NORAD), is undertaking an initiative, over two years (2008-2010), in Nepal, Bangladesh and two states of India, i.e. West Bengal and Rajasthan, to build the capacity of consumer groups/civil society organisations (CSOs) to enable them to deal with the issues involved, take-up action research, share experiences and carryout advocacy with policy makers and regulatory agencies to effect pro-consumer changes in the electricity regulatory/policy processes.

As a starting point, CUTS had undertaken a baseline survey (the survey was conducted in ten districts of West Bengal, covering 700 respondents) to identify major problems facing electricity consumers at the grassroots. The survey had tried to capture their opinion on how the decision-making process can be made more inclusive. The survey revealed that a majority of the consumers are unaware of the various changes taking place in the electricity sector and their implications on the electricity consumers. Further, the survey unfolded the fact that consumers at the grassroots are oblivious of the existence of any mechanisms of consumer consultation.

After having identified these two root causes for the low degree of consumer participation in the decision-making process, CUTS, with the primary objective of building the capacities of the grassroots CSOs on various issues related to the electricity sector, organised two training programmes for the CSOs and, as a
progression of the same broad objective, organised grassroots interface meetings (GIMs) to disseminate information to the grassroots-level consumers.

**Objective**

The overall objective of Phase I of the GIM was to generate awareness among grassroots’ consumers on matters relevant to policy and regulatory issues in the electricity sector. The aim was to enable the consumers to appreciate the important role that they are required to play in regulatory reforms.

The meetings for all the districts were designed more or less along the same lines. There were essentially four sessions. The first session briefly introduced the participants to the project objectives, scopes, partners and activities and also discussed the reforms process in West Bengal. The second session dealt with the existing complaint redressal mechanism and aimed to explain and elucidate the same for the grassroots consumers to help them exercise their rights. The last session discussed the phenomenon and implications of power theft, highlighting the role of consumers in this context. The importance of conservation of energy was also discussed in the last session. Some examples of best practices in this regard were shared with the participants during the discussion.

**Session I: Project Objectives, Scope, Partners and Activities and Electricity Reform Process and Role of Consumers**

This session (conducted by the nodal person) was meant to formally welcome all the participants and explain the project objectives, scopes and activities in a nutshell and briefly introduce the reform process to them as it has transpired in West Bengal. It was also clarified that the project focuses on the problems being faced by consumers, rather than individual problems of the participants. It was also pointed out that it will not be dealing with social and environmental aspects of electricity consumption, rural electrification and the likes.

It was pointed out during this session that there is a need to increase the availability of electricity in the project territories, i.e. India, Bangladesh and Nepal, to scale up the per capita consumption of electricity, which, in turn, requires successful implementation of reforms in the project countries. Three broad steps that were implemented with a view to facilitate competition and achieve economic efficiency, viz., unbundling of the integrated utilities; opening up the sector for private participation; and establishment of independent regulatory commissions. It was highlighted that consumers need to play a crucial role in the regulatory process, especially in areas such as tariff determination, framing of regulations, etc. in order
to protect their interest in the sector and hold the regulator as well as service provider accountable for their performance.

**Session II: Complaint Redressal Mechanism**

This session dealt with the key issues relating to the complaint redressal mechanism. The areas, grounds and circumstances under which consumers can lodge a consumer complaint, steps to be taken by consumers to get redressal and the delegation of authorities for the whole complaint redressal process were discussed. The key provisions laid down by the Electricity Act, 2003, and the subsequent regulations (Regulation Number 27 dated January 17, 2006) were highlighted. It was emphasised that the applicant must clearly mention the problem, the kind of relief the applicant is seeking from the distribution licensee and, more importantly, the applicant must sign the complaint. It was also stressed upon that while applying for grievance redressal to the Ombudsman the applicant must enclose a copy of the complaint submitted to the Grievance Redressal Officer (GRO) and, in case he has moved to any other authority or a court of law, or a consumers’ forum, he shall disclose the same with all necessary details to the Ombudsman.

It was pointed out that a consumer can register complaints with the GRO on grounds of poor quality of service delivery, viz., irregularity in receipt of bill, delay in receipt of new connection, faults in meter reading, etc. Similarly, the distribution licensee can also lodge a First Information Report (FIR) against a consumer in case of theft or unauthorised access to electricity, non-payment of bill, etc.

This session was conducted by representatives from the respective local office of the distribution licensee.

**Session III: Energy Conservation and Reduction of Power Theft: Role of Consumers**

The last session dealt with energy conservation issues and power theft. The importance and urgency of conserving energy, with specific reference to electricity, was highlighted, citing how it is relevant from economical, environmental
and social perspectives. Certain best practices were listed out to help consumers identify ways to conserve energy in domestic as well as the commercial/industrial fronts.

The concepts of Power Theft and Unauthorised use of Electricity, as they are defined by the Electricity Act 2003, were explained to the participants. The adverse effects of such activities on consumers and the penalties for perpetrators of such acts were discussed. Emphasising the role of consumers and consumer groups in preventing power theft, it was pointed out that consumers should protest in unison against such acts of social evil.

This session was collectively conducted by representatives from partner organisations and local offices of the Distribution Licensee.

**Floor Discussion**

There were open house discussions after each of second, third and fourth sessions. Participants put forth their views and queries regarding power sector reforms in West Bengal and the problems being faced by them. Captured below are the highlights of the discussions held at each of the district level meetings:

**North 24 Parganas**

- It was discussed that though Time of Day (ToD) tariff is followed in agricultural supply, farmers are largely unaware about the system. In many cases, during the monsoons, when pump sets are mostly not operational, utilities have given the farmers bills running into huge amounts. Late receipt of bill was another common issue faced by most of the consumers. Consumers are frequently faced with outstanding bill statements from the utility even after they had paid their bills. The meter for agricultural consumers is placed at a considerable height from the ground and the reading is taken through the Automated Meter Reading (AMR) method. The actual reading being not visible to the consumers, they are not able to cross check with the meter reader. Agricultural consumers further said that in places where the old system of cluster shallow still exists, one defaulter is holding all the other users at ransom, since the utility is not reinstalling transformers/restoring connections that they cut off due to non-payment from that one consumer.

- Participants had doubts as to how voltage fluctuations can affect meter reading. The utility representative explained that the meter is designed to read exactly the amount of electricity that is consumed by the consumer irrespective of the fluctuations. He, however, further explained that extreme fluctuations may damage the meter. The participants shared their experience that if disruption in supply is caused at evening/night due to fault in the machinery, no fault repair services are made available. The repair work starts only on the next morning and that too only after 10 am.
• It is given in the Electricity Act 2003, Section 45(7), that the Ombudsman is required to settle the grievance of the consumer within time and manner as may be specified by the State Electricity Regulatory Commission (SERC), but, in the regulation, the WBERC does not provide any specific time frame for redressal of a case that goes to the office of the Ombudsman.

• One of the key issues that were raised was the lackluster action taken by the utilities against consumer complaints especially relating to faulty meters or billing mechanism

• Participants suggested that local people need to form vigilance committees recognised by the government/official machinery at the local level to curb theft of power. Further, the support of the Panchayat could also be sought.

Hoogly

• Rabin Sur of Hathkhola (Chalkpara) opined that the minimum charges that are levied even when the consumer is not using the services are unacceptable. He seemed to have followed the Electricity Act keenly and said he found no mention of any provision in the same towards levy of a ‘Minimum Charge’. The participants expressed concerns over the small size (measuring only 2” X 3”) of the receipt issued against payment of electricity charges, claiming that such small size makes it rather difficult to preserve it.

• Bankim Bondyopadhya of Hooghly, Chunchura Grahak Parisheba Samiti, argued that consumers should not be required to pay meter rent year after year as a mandate, they should be allowed the freedom to purchase the meters and as per Section 55(1) of the Electricity Act 2003, there is a provision for consumers to purchase meters if they want to. He opined that it is unfair to burden the consumer with meter rent, when such meters come at a price as low as Rs 300-350.

Howrah

• It was learnt that the distribution company is not providing new connections to non-concrete (Kuccha) households. One of the participants shared his case where he had applied for a new connection and already completed the internal wiring, but the utility team came for inspection and said that they would not provide connection to kuccha households. He claimed that he was not informed of any such provision when applied for the connection earlier.
• Complaint numbers after registering a complaint are not given to the consumers.

• Practice of advance notice of load-shedding should be adopted.

• Further discussions included issues such as power theft and how a fraction of the utility representatives were also part of the mechanism. Participants said that in many cases, where the consumer had gone through all required procedure and completed the in-house wiring, the department did not provide the meter. In many of these cases, it took six-eight months to finally provide them with the meter and there were no bills during this entire period. Once the meter was installed, the consumers were issued bills that were apparently an average of the past consumption. However, the participants said that these consumers were paying much less than they are supposed to and this whole delay process is a set-up where utility representatives are hand-in-glove with perpetrating consumers. They added that this apparent scarcity of meters further encourages practices like tapping of overhead electricity lines and here too, they said, the local utility representatives were involved.

Purulia

• Delay in getting new connections was cited as one of the key problems, faced by consumers in Purulia.

• Many of the participants opined that lack of minimal courtesy and cooperation from utility representatives was one of the principal problems faced by those consumers who try to lodge their complaints. In many cases, their complaints are not registered and, at other times, they are pressurised for bribes to get things done. Such activities have resulted in mass fury and vandalism of electricity offices in Purulia.

• The utility representative present pointed out that consumers stay away from lodging their own complaints, taking others’ (read middleman) help to do the same. This results in erroneous complaints and hence non-redressal. The consumer ends up paying money for a service that serves no purpose.

Malda

• Power theft emerged as a burning issue in this meeting, with participants alleging that utility representatives were hand-in-glove with perpetrators. With such a nexus, transformers in the Chaanchal I & II blocks are mostly overloaded, resulting in massive power cuts and load-shedding.
• In response to the above allegation, Dipankar Das, Assistant Engineer, Chaanchal Group Electricity Supply candidly admitted the existence of departmental dishonesty in several cases. He, however, said that consumers, in many cases, help these practices flourish. The participants further said that, in many cases, lack of knowledge and illiteracy among rural consumers make them vulnerable to illegal extortion by middlemen and a section of utility staff, who function under the garb of facilitating their pending electricity connections.

• The participants also admitted various problems like disturbance of massive load-shedding, problem of overloaded transformer, faulty wooden electrical polls, low voltage, loss of electrical wires and abnormal delay in technical repairs due to technical faults. All of them raised their profound dissatisfaction and despair and said that proper administrative system within the utility is absent in that area.

Nadia

• The quality of service was one of the major issues in the locality, as identified by the participants, with fluctuation in voltage being the order of the day. Here again, the discussions revealed that the voltage fluctuations reflects seasonal trends.

• One question that was raised during the discussions was what one needs to do when faced with a faulty meter and who pays for a new one? The utility representative present clarified that if there are internal technical faults in the meter, the utility is liable to replace it without charges. However, if broken or externally damaged in any way after being installed in the premises of the consumer then the consumer will have to bear the charges towards replacing it. Also, if it is proved by testing that the meter was damaged by the owner then again the consumer will have to pay for a replacement. He further added that, in many a case, a meter becomes dysfunctional when the load on the meter exceeds the official connected load.

 Murshidabad

• Another major issue put forth was the absence of proper flow of communication between the consumers and the utility. Participants said that they find it very difficult to get relevant and accurate information and in the process fall prey to middlemen.

• When explained about the detailed complaint redressal mechanism, the participants opined that such mechanisms is too complicated and time-consuming for a rural commoner and it is and always will be rather difficult for the grassroots consumers to go through this “complicated” procedure, to get their grievances redressed.
Kolkata

- Discussions had centred on connection issues for tenants, allocation of meters in tenants’ names, transferring existing connection in the name of new tenants, etc. Also discussed were instances where Calcutta Electric Supply Corporation (CESC) had installed block meters, wherein a group of consumers, typically from slums, shared the electricity bill that is metered as per the total consumption of the collective community.

- Another major issue was that in many cases an old tenant leaves without paying the outstanding bills and the subsequent tenant is saddled with the same. It was clarified that if the present tenant can approach CESC indicating the area where the old tenant has moved, the outstanding bill is then, accordingly, credited to his name in whichever new premise he has moved into. He added that before checking into a new rented apartment, the tenants should check with the landlord as to whether any outstanding bills have been left unpaid by the previous tenant or not.

- The discussions had also touched upon the issue of consumers, more often than not, depending on others (which, in many cases, are middlemen) when faced with any issue pertaining to electricity supply. It was suggested that the consumers should apply themselves and deal directly with CESC officials, as that will help in accurate presentation of their problems.

Uttar Dinajpur

- The discussions revealed that the territory had very similar issues as the others. Power theft, billings problems, communication gap between the consumers and the utility, etc.

- Some of the participating agricultural consumers argued that the billing was rather irregular and misleading.

- Lack of awareness regarding the redressal mechanism was common among consumers.

Midnapur

- The participants were generally disillusioned about the electric supply, citing very frequent load shedding, voltage fluctuations, irregular bills and power theft, as the principal issues that they face. Theft of power was a common phenomenon, resulting in overloaded and consequently damaged transformers.

- One interesting suggestion that came up, while discussing conservation, was whether compact fluorescent lamps (CFLs) or some similar energy efficient lamps could be used for street lighting.
• Another suggestion that emerged was that utility or the concerned department could contemplate engaging local unemployed youth, clubs and NGOs to help plug power theft, wherein local involvement will ensure better vigilance and ownership of the process.

Systematic Problems Identified During the GIM-I

Absence of information regarding power sector reforms
Power sector reforms were launched in West Bengal during the mid-nineties but consumers are not aware, as was experienced during the GIMs. Most of the consumers were not aware of the WBERC and its functions, powers, etc. They were also unaware of the fact that, as per the new Electricity Act 2003, tariff for electricity is not decided by the utilities, and that consumers have a role to play in it in particular, and in the regulatory process, in general.

Lack of information about complaint redressal mechanism
Consumers were not aware of the compliant redressal mechanism, as it was reflected during the GIMs. In certain cases where the consumer did take a step to register the complaints; non-action on part of the utility officer was not taken up with the grievance redressal officer, as the consumers were not aware of the mechanism.

Responsibilities on part of Consumers: Absence of information
The Electricity Act 2003 not only laid down rights for consumers, but has also chartered those areas where they, as responsible consumers, should contribute. They have responsibilities, in terms of conserving electricity/energy, being proactive to prevent power theft, spreading awareness among other consumers regarding such things and help make the betterment drive an inclusive and collective one. The GIMs, however, revealed that consumers were either unaware or, in some cases, non-committal when questioned about their responsibilities.

The GIM discussions and sessions, however, briefly introduced them to the importance and ways of conservation. The fact that there exists a gap between the demand for and supply of power was explained in details during the GIM. It was also explained that, in order to minimise the overall requirement, energy conservation needs to be accorded high priority and as such efficient, conscientious and alert consumption of electricity is very much the responsibility of the consumers.

Lack of understanding of power theft and unauthorised use of electricity
The participants did not know how the law defines power theft; neither did they know what constitutes unauthorised use of electricity.

The agricultural consumers, in many instances, were found to be supplying water to their brethren in exchange of money, having little or no knowledge that such activity constitutes unauthorised use of electricity, both on their part and those
who are getting such services from them. Similarly, rural household consumers were often found to be connecting their agricultural pump sets to the household line to meet their farm water needs, even though unit charge for electricity is higher in case of household connections, when compared to agricultural connections. In addition, they were also unaware that such activities are classified as unauthorised use of electricity and that they may face penalty charges for such usage. In some instances, consumers were “helping” their neighbours by giving them access to their own household connections for using the same at nearby/adjacent premises, charging some amount against such services.

They were mostly unaware that such activity again is termed unauthorised even if they are charging for the exact amount that the neighbour is consuming. Consumers are also unaware of the fact that with increase/change in their usage pattern due to additions of new heavy duty gadgets to the household, their connected load is to be appropriately increased and to do that they need to inform the local authorities to that effect. The fact that consumers are largely unaware as to how power theft actually affects them also contributes to the perceived inaction and lack of concern in matters of power theft among them. The only fact they are vaguely aware of is that the charges towards power theft are borne by diligent consumers. They are not sensitised adequately on the aspect that electricity is a social good and an invaluable one at that, which needs responsible, conscientious and alert handling.

Absence of communication between utilities and consumers
The new Electricity Act 2003 has ushered in a lot of new measures and subsequent regulations. However, the same have not been effectively communicated to the end consumers. Due to lack of an institutionalised information dissemination mechanism at the grassroots, severe information gaps exist amongst the consumers about basic service-related aspects, like grievance redressal mechanism, standard of performance of distribution licensees and the electricity supply code. Such communication gaps translate into an entrenched role for middlemen in the system and act as a major impediment for the consumer welfare.

In many instances, as reported by participating consumers, the local utility staff and contractors are involved in exploitative practices while releasing new connection, installing transformers, etc. Consumers have to pay more than the designated amounts, as laid down by the rules. The level of awareness amongst grassroots consumers about related policy and regulations is also abysmal. No institutional mechanisms are put in place to educate and build capacity of the consumers.

The GIMs, as opined by many of the participants, were eye-openers, introducing them to a lot of facts hitherto unknown to them and also equipped them better towards being a more aware and responsible consumer. They welcomed the effort and requested that such workshops should be more frequently organised.
**ANNEXURE: A**

**LIST OF EXTERNAL RESOURCE PERSONS**

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<thead>
<tr>
<th>Name of District</th>
<th>Name</th>
<th>Co-Ordinates</th>
</tr>
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</table>
| **North 24 Parganas** | Dilip Samajpati | Senior Manager, Customer Relations  
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Phone No: +91 33 2237 3612  
Fax: +91 33 2236 5669 |
| | D. Gupta | The Circle Manager  
24 Parganas (North) Distribution Circle  
WBSEDCL |
| | Raghunath Mukherjee | Dy. Chief Engineer  
Customer Relation Management Cell  
Vidyut Bhaban  
Salt Lake City, Kolkata |
| | D. Biswas | P & A Manager  
24 Parganas (North) Distribution Circle  
WBSEDCL |
| **Purulia** | Swapan Kr. Mahato | Manager (P&A)  
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(4th Floor), Zila Parisad Bhawan  
District Purulia |
| | T K Dey | Divisional Engineer  
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WBSEDCL, New Administrative Buildings  
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+91 03252 223671 |
| | T Mahapatra | Superintendent Engineer  
WBSEDCL, New Administrative Buildings  
(4th Floor), Zila Parisad Bhawan  
District Purulia |
| **Midnapur** | Arindam Niyogi | Divisional Manager  
Ghatal (D)  
WBSEDCL |
| | Dulal Chandra Mal | Junior Manager, (P&A)  
Midnapur (D), Circle  
WBSEDCL |
| | Madhu Sudan Rajak | Manager, (P&A) Midnapur (D)  
Circle, WBSEDCL  
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<table>
<thead>
<tr>
<th>Name of District</th>
<th>Name</th>
<th>Co-Ordinates</th>
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</table>
| Hooghly         | Subrata Mukherjee         | Manager (P&A)  
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Taldangha Super Market Building (1st Floor)  
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+91 33 2680 5487 |
|                 | Somnath Mukherjee         | Circle Grievance Redressal Officer  
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| Murshidabad     | Aparna Saha               | Junior Manager (P&A)  
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Annexure: B

MAP SHOWING THE DISTRICT COVERAGE UNDER THE RESA PROJECT