Roundtable on

‘POWER SECTOR REFORMS IN RAJASTHAN AND ROLE OF CIVIL SOCIETY ORGANISATIONS’

EVENT REPORT AND MINUTES

Jaipur, January 21, 2019
INTRODUCTION

CUTS International and BASK Research Foundation organised a one-day roundtable on ‘Power Sector Reforms in Rajasthan and Role of Civil Society Organisations’ at Jaipur on January 21, 2019. The meeting was attended by various civil society organisations (CSOs) whose details have been provided in Annexure I.

Around 14 representatives from different CSOs working in 10 different districts of Rajasthan participated in the discussion (The detailed minutes of the meeting have been provided in Annexure II).

The objective of the roundtable was to gain insights from CSOs on key issues for electricity consumers, their experiences in redressal of grievances, and awareness on rights and responsibilities. Stakeholders were also introduced to the Capacity Building of Electricity Consumers (CBEC initiative) to improve engagement of consumers and consumer organisations in regulatory affairs, and inputs were sought on the project design and priorities.

The roundtable was structured in four sessions as enumerated below and focussed discussions were held on varied topics related to these subjects.

- Experience with grievance redressal mechanism
- Standards of performance (SoP) for electricity distribution companies (discoms)
- Regulatory participation and electricity tariff
- Role of consumer organisations in regulatory affairs

KEY ISSUES AND PRIORITIES FOR ELECTRICITY CONSUMERS

The key takeaways and issues emerging from the discussions which are as mentioned below:

a) Accountability of discoms for delayed delivery of bills and payment reconciliation is limited and consumer is mostly at the receiving end due to any delays on discom’s part.

b) The idea of fixed charges levied in an electricity bill is ambiguous for most of the consumers and the monthly variations for each consumer makes them apprehensive about these charges.

c) Vigilance teams are particularly notorious in certain areas of districts due to inflated billing and malpractices. Consumers of rural areas are mostly ignorant of their rights in such conditions due to insufficient information made available by
Rajasthan Electricity Regulatory Commission (RERC)/discoms and due to intuitional monopoly of discom flimsy evidences lead to consumer’s culpability.

d) The metre reading process is not transparent and the unilateral process leads to damages to consumers.

e) Agriculture consumers are not considered under Lok Seva Guarantee Scheme, a scheme that guarantees resolution of issues within 21 days. There is no transparency on the issuance of agricultural connections.

f) There is not any institutional mechanism to ensure of compliance of Central Electricity Authority’s (CEA) technical standards for laying infrastructure for supply of electricity by the discom. The Commission takes up such cases on case-to-case basis and the responsibility of which largely resides on the shoulders of civil society and activists.

g) Many specific issues of rural areas, such as shifting of poles, reporting of burnt transformers and meters, etc. are not taken up by the discom in the manner prescribed by the Commission. The reporting of issues on Toll-Free numbers, Mobile Application, etc. is inadequate for an illiterate consumer in a village and necessary remedies needs to be put in place.

h) Compliance of quality and operating procedures by third party contractors of the discom needs to be ensured.

i) Electricity bills are an important tool for dissemination of information for electricity consumers.

j) New connection procedures should be made simple and prescribed guidelines should be effectively enforced. Practices, such as blank stamp papers, etc. should be discontinued.

k) CSR funds of discoms is largely unutilised and the same can be used to increase awareness about discom’s duties and responsibilities and consumer’s rights.

WAY AHEAD AND KEY ACTION

Various issues raised by CSOs during the meeting echoed the results of secondary research and key informant interviews (KIIIs) already conducted during the project. Poor awareness among consumers about their rights, inadequate and inaccessible grievance redressal mechanisms by discoms, monopolistic nature of discom supply of electricity, malpractices and corruption at local level, low participation in regulatory affairs and cumbersome procedures at Commission are some of the key issues that already need attention in power sector of Rajasthan.

In addition to these, following the CSO meeting, issues mentioned in previous section also require urgent attention. New mechanisms and protocols for delivery of bills, payment reconciliation, issue of VCR, quality compliance, grievance registration, etc. Though technology is a definite enabler for this, rural areas and consumers’ requirement should also be taken into consideration for formulating these. Many of these issues stem out of lack of awareness. Notice boards in subdivision offices, electricity bills, etc. are few tools where information for these updated procedures and
already existing procedures could be provided. The CSR fund of discoms could be effectively used for this purpose.

The implementation of project would incorporate steps to ensure redressal of these issues as well. The remedial actions will be incorporated in the Consumer Assistance Cell at Grassroots (CONASC) activities, guidebooks, training modules and also submitted to RERC/discoms for their course correction.

A survey was also conducted among the participant CSOs to assess the relative importance of various issues for consumers and for their effective participation in regulatory affairs. Key insights from the survey are presented above and the survey questionnaire used and the graphical representation of survey analysis has been reported in Annexure III and IV respectively.

### KEY INSIGHTS FROM CSOs SURVEY

As per the survey, all CSOs agreed that they need to play an active role in electricity regulatory affairs. Six out of 14 CSOs participants were not aware of RERC and grievance redressal mechanism before the workshop. Only eight out of total representatives had an experience of interacting with electricity utilities in their region.

Considering the importance of various electricity issues for them, they ranked grievance redressal and safety issues at the top, while ‘regulating private sector' and ‘decarbonising electricity grid' were the least important issues for them. They were also asked for key barriers to the active participation of consumers and CSOs in regulatory affairs pertaining to the power sector. Almost everyone mentioned the lack of regulatory understanding as the main hurdle followed by ‘weak mechanism for formal engagement' and ‘attitude of regulators'. In addition to that, majority of them considered consumer awareness as the most effective mechanism for CSOs to influence power sector and regulatory affairs.

When asked for the support that CSOs would like to receive to facilitate better participation in regulatory affairs, 12 out of 14 representatives opted for training and capacity building of CSO staff and a platform for civil society coordination. A few of them asked for sufficient budget for awareness activities and exposure visits. The graphical representation of survey analysis has been reported in Annexure III.
Annexure I: List of Attendees

The list of participants of the Roundtable on ‘Power Sector Reforms in Rajasthan and Role of Civil Society Organisations’ organised at Jaipur on January 21, 2019 is as follows:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name</th>
<th>Organisation</th>
<th>Location of Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Simran Grover</td>
<td>Bask Research Foundation</td>
<td>Jaipur</td>
</tr>
<tr>
<td>2</td>
<td>Anshuman Gothwal</td>
<td>Bask Research Foundation</td>
<td>Jaipur</td>
</tr>
<tr>
<td>3</td>
<td>Anmol Soni</td>
<td>Bask Research Foundation</td>
<td>Jaipur</td>
</tr>
<tr>
<td>4</td>
<td>Arnab Ganguly</td>
<td>CUTS International</td>
<td>Kolkata</td>
</tr>
<tr>
<td>5</td>
<td>Anurag Mishra</td>
<td>CUTS International</td>
<td>Jaipur</td>
</tr>
<tr>
<td>6</td>
<td>Mohini Ganguly</td>
<td>CUTS International</td>
<td>Jaipur</td>
</tr>
<tr>
<td>7</td>
<td>Sarfraz Sheikh</td>
<td>Kotra Adivasi Sansthan</td>
<td>Kotra, Udaipur</td>
</tr>
<tr>
<td>8</td>
<td>Satyanarayan Sharma</td>
<td>Gramin Arthik Samudayik Punarnirman Vibhag (Record) Sanganer</td>
<td>Sanganer Bassi, Shahpur, Jamwaramgarh Road, Sawai Madhopur</td>
</tr>
<tr>
<td>9</td>
<td>Rakesh Kumar Parmar</td>
<td>Samajik Vikas Samiti, Dholpur</td>
<td>Dholpur</td>
</tr>
<tr>
<td>10</td>
<td>Mool Singh Shekhawat</td>
<td>Lilki Gramin Vikas Samiti</td>
<td>Rajgarh Sadulpur, Churu</td>
</tr>
<tr>
<td>11</td>
<td>Hari Prasad Yogi</td>
<td>Consumer Legal Help Society</td>
<td>Sawai Madhopur</td>
</tr>
<tr>
<td>12</td>
<td>Gangadhar Solanki</td>
<td>Individual Capacity</td>
<td>New Cloth Market, Chittorgar</td>
</tr>
<tr>
<td>13</td>
<td>Jagdish Prasad Regar</td>
<td>Ajmer Zila Grameen Upbhokta Sansthan</td>
<td>Masuda, Ajmer</td>
</tr>
<tr>
<td>14</td>
<td>A R Sharma</td>
<td>Awareness Training and Motivation for Action (ATMA)</td>
<td>Rajasthan</td>
</tr>
<tr>
<td>15</td>
<td>Raghvendra Singh</td>
<td>Ajmer Zila Grameen Upbhokta Sansthan</td>
<td>Masuda, Ajmer</td>
</tr>
<tr>
<td>16</td>
<td>Madan Giri</td>
<td>CUTS - CHD</td>
<td>Chittorgar</td>
</tr>
<tr>
<td>17</td>
<td>Bhagwan Lal Sharma</td>
<td>Upbhokta Suchna &amp; Paramarsh Samiti</td>
<td>Chittorgar</td>
</tr>
<tr>
<td>18</td>
<td>Nagendra Mathur</td>
<td>Urmul Rural Health Research &amp; Development Trust</td>
<td>Bikaner</td>
</tr>
<tr>
<td>19</td>
<td>Goverdhan Lal Sharma</td>
<td>Gramin Sewa Sansthan</td>
<td>Chittorgar</td>
</tr>
<tr>
<td>20</td>
<td>Rajendra Sen</td>
<td>Sarthi Sanstha</td>
<td>Jhunjhunu, Sikar</td>
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Annexure II: Minutes of Meeting

The minutes of the Roundtable on 'Power Sector Reforms in Rajasthan and Role of Civil Society Organisations' organised at Jaipur on January 21, 2019 are as follows:

Session 1: Experience with Grievance Redressal Mechanism

Key Points of Discussions (Raghvendra, Mool Singh and others)

- Delayed payment of bills due to technical issues at discom's end and late delivery of electricity bills to consumers.
- *Sthayi Shulk* (Fixed Charge) is more than charges for electricity consumption in some cases.
- Vigilance team takes away the metre without any explanation or documentation in some cases.
- In case a transformer is stolen, there is a lack of clarity on who is responsible for filing FIR. Until FIR is filed, the replacement process is not initiated.
- Anecdotal statement: a consumer has reported of continuous inflated bill and meter is sent to a lab for testing, consumers are notified of magnetic tampering of the bill without any explanation.
- Vigilance Committee Report (VCR) levies unjustified penalties, especially when they are doing rounds to meet their targets.
- Electricity department officials demand extra money for shifting of poles, in spite of orders of RERC that expenses are to be equally shared.
- Officers are frequently absent so timely resolutions of problems are not possible.
- Due to incorrect reading of meters, consumers receive hefty electricity bills. The settlement process is complex, and consumers need to pay a 50 percent of disputed amount first.
- People are not aware of the grievance redressal mechanism including RERC and Ombudsman. In many areas (particularly rural), the settlement committees and grievance redressal mechanisms are not available.
- There is no third-party auditing of discom infrastructure which leads to non-compliance with standards and specified conditions.
- While registering problems of consumers, no receipt to the consumers is provided. Frequently, the wrong description of problems is provided to consumers. Specifically, in the case of inflated bills, they often misreferred as 'wrong information.'
- Agriculture consumers are not covered under the *Lok Seva* Guarantee Scheme (resolution of issues within 21 days).
- Money is demanded replacement/upgradation of meters whereas it should be replaced at discoms cost.
- Wrong information on load shedding is provided to balance theft according to the participants.
- Chittorgarh district is one of the highest loss-making districts with 163 lakh units of transmission and distribution (T&D) losses amounting to 8 crore 30 lakh for the last year as informed during the discussion.
• Chorwadi in Chittorgarh district is a village which has abolished electricity theft but the discom was not part of the effort.
• The electricity distribution operation is also muddled by the involvement of politicians in different local issues.
• The armored wire which is mandatory in electricity infrastructure has not been deployed on the ground.

Suggestions
• Discoms in Rajasthan exist as a de facto monopoly so they can provide whatever quality of supply and infrastructure they want. This needs to be challenged.
• Initiatives need to be taken actively by discoms on awareness about rights. This shall include information on the back of bills and all discom facilities.
• Vidyut Chaupal could also be established to empower consumers on electricity-related issues.
• A core committee of officers with CSO representation or independent nominations should be made for resolution of problems.
• Easy vernacular literature should be prepared for farmers and domestic consumers.
• Third party auditing of discom infrastructure and quality of supply could also be performed. Domestic consumers should be the focus of the project. This is primarily because their grievances resolution needs tend to be more urgent.
• CSOs and consumers should become an equal partner in settlement committee.
• Data of Consumer State Commission should be analysed.
• Following are some key provisions within the regulation suggested by H.P. Yogi which consumers should be made aware of such as:
  a. For connections up to 5 kWh for individual livelihood, no non-domestic connection is required.
  b. Current digital meters provide information on load in the metre, voltage history etc.
  c. Third party labs have been established in Udaipur, Jaipur, and Ahmedabad for metre testing.
  d. Terms and conditions for agricultural connections are mentioned in Booklet published by discoms and agriculture policy.
  e. The regulation provides that in case the poles are shifted, the incurred cost should be equally divided between community and discoms.
  f. Consumers are made to deposit 50 percent of the disputed amount in a case to the settlement committee along with the registration fee for the settlement committee to consider the case. This practice is not part of the regulations (unless it is a case of unauthorised use of electricity). Therefore, regulatory provisions should strictly comply in such cases.
  g. Settlement committee is generally biased in composition mostly made of discom officials and needs to be relooked at.
  h. Consumers can also approach consumer courts which are mandated to resolve the cases in 90 days.
i. Discoms publish a Citizen Charter both in Hindi and English that provides terms and conditions for electricity distribution operations and should be referred by consumers.

j. Gujarat could be looked as an example state for electricity reforms.

**Session 2: Standard of Performance**

**Key Points of Discussions (H.P. Yogi, Gangadhar Solanki, Rakesh Kumar and others)**

- People are not aware of SoPs as they are uploaded by discoms only on the websites.
- No compensation to consumers on SoPs has been awarded to date, as consumers largely do not ask for compensation from discoms. There has been no publicity of SoPs, rebate (if any) offered or compensation terms.
- SoP is a very technical subject and difficult for rural consumers to understand.
- The regulation provides that the compensation should be drawn from the liable discom employee, however the same has never been practiced.
- There is no co-ordination between the call centre and local officers of discoms and complaint escalation is not done. Moreover, the actual power to do anything at grassroots is sole with the local electricity office.
- There is no infrastructure for registration of complaints at the village level
- Discoms refuse to record complaints if the complainant is not the person who owns the connection. They also make it difficult for consumers to conduct name changes in connections.
- If the word VCR is part of the case during the redressal of grievances by consumers, then the case cannot be heard in the consumer court.
- There is no transparency on the issuance of agricultural connection.
- Corruption has increased because of the involvement of third-party contractors for different discom services as opined by Gangadhar Solanki.
- Compliance with respect to SoPs shown by discoms is only on paper. The call centre will provide a message that the problem is solved while at the same time it is not resolved on the ground.
- Discoms do not provide data on disposal status, only data on complaints is provided.

**Suggestions**

- Key SoPs should be notified in discom offices. The same could be also printed on the back side of the electricity bill.
- Some key consumer issues could be identified and RERC should be approached at the outset of the project only.
- Consumers are not aware that if a metre is faulty, the discom should replace it within a period of two months.
- The project should establish ‘Bijli Sudhar Samitis’ on the lines of the previous CUTS FES project.
• Community initiatives are important to improve awareness. *Gram panchayat* and CSOs should also be involved and awareness programmes should be launched.
• Registers could also be kept at *gram panchayat* level for recording of complaints. It should be ensured that consumers are provided with a receipt for the follow-up of complaints. A card that guides consumers for registration of complaints should also be made available.
• WhatsApp groups and social media could be used for creating awareness on SoPs.
• SoPs could also be made stricter for the benefit of consumers.
• The project should focus on the following key areas:
  a. How a consumer could be empowered so that he is able to record his complaints?
  b. Third party auditing of all the services and infrastructure
  c. Monitoring mechanism could be developed so that consumers are empowered
• To make CONASCs sustainable and their further scale-up, a strategy followed by CUTS Centre for Human Development team could be replicated. Under this strategy, *upbhokta suchana samitis* constituted of self-motivated people have been established in various districts. These *samitis* can sustain if full ownership of the initiative is transferred to them. Such *samitis* established in coordination with CUTS CHD are still functional in seven-eight districts. Hence, community engagement and local governance is a must to make this initiative successful.
• Smart and electronic metres have some sort of data recording mechanism that can also help in consumer empowerment.

**Session 3: Regulatory Participation and Electricity Tariff: Ensuring Accountability and Tariff**

*Key Points of Discussions (B L Sharma, Gangadhar Solanki and others)*

• Rural consumers are hardly aware of the new connection process. There is zero awareness about regulatory and tariff participation.
• Blank Stamp Paper is also required during the application of a new connection which is an illegal practice.
• Agriculture consumers should also demand good quality of supply as subsidy required by discoms for agricultural consumers is provided by the State Government.
• Various other commissions, such as National Human Rights Commission, National Commission for Women etc. are approaching people directly in their districts. RERC should also establish its offices in districts.
• Tariff increase over the years is not in coherence with the quality of services.
• After the electricity reforms in 2001, it was expected that Aggregate Technical and Commercial (AT&C) losses will decrease by a major percentage point but there has hardly been any change in its value.
• Discoms have to spend Rs 50 lakhs for corporate social responsibility (CSR) but no such expenses are made.
• The procedure for submitting comments on RERC orders is very cumbersome. To provide comments to RERC on tariff orders some background data and technical expertise is required.
• Chittorgarh and Nagaur districts record a large number of theft-related incidences.
• RERC is not autonomous as its officials get the salary from discoms.

Suggestions
• Rural people should be made aware of electricity regulations and tariff design.
• RERC or Ombudsman should also have offices in the district level.
• Participation in tariff affairs should be a coordinated effort among different CSOs across the State. It should come as a unified voice.
• A committee should be made where electricity sector experts sit together for resolution of high-level consumer issues.
• CUTS can do a pilot in districts where electricity theft is a major issue. It would give an idea about consumer behavior.

Session 4: Role of Consumer Organisations in Regulatory Affairs

Key Points of Discussions Issues
• Large numbers of cases regarding electricity grievances in consumer courts demonstrate the failure of the discom grievance redressal mechanism.

Suggestions
• Baseline survey should be an integral part of the project.
• Data on the status of consumer cases and their resolution could be sought from State Commission.
• The previous system where Division Commissioner used to work as Ombudsman for resolution of cases may have been better for consumers.
Annexure III: The Survey Questionnaire

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
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<tbody>
<tr>
<td>Do you have any experience of interacting with Electricity Utilities in your region?</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Do you have any experience of filing a petition with RERC or any other engagement with RERC? If yes, please explain briefly what was the engagement and experience.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Were you aware of the grievance redressal mechanisms before this workshop?</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Were you aware of role of RERC before this workshop?</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Did you know about role and responsibilities of Ombudsman before this workshop?</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>In your opinion, do civil society or consumer organisations need to play an active role in electricity regulatory affairs?</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

If yes, kindly rank issues in order of importance

1. Safety issues
2. Electricity tariffs
3. Grievance redressal
4. Medium term and long term planning for the sector
5. Decarbonising electricity grid
6. Safeguarding consumer interests
7. Compliance of SoPs
8. Last mile electrification
9. Regulating private sector
10. Strengthening regulatory policies

What are the key barriers to active participation of consumers and civil society organisation in regulatory affairs pertaining to power sector? (Maximum 3)

1. Not a critical social issues
2. Lack of regulatory understanding
3. Lack of resources or funding
4. Weak mechanisms for formal engagement
5. Attitude of regulators
6. Others (________________________________________________)
In your opinion what are effective mechanisms for civil society to influence power sector and regulatory affairs? (Rank)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Mechanism</th>
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<tbody>
<tr>
<td>1</td>
<td>Consumer awareness</td>
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<td>2</td>
<td>Dialogue with distribution utilities</td>
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<tr>
<td>3</td>
<td>Dialogue with Regulatory Commission</td>
</tr>
<tr>
<td>4</td>
<td>Petitions and/or RTO</td>
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<tr>
<td>5</td>
<td>Legal proceedings</td>
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<td>6</td>
<td>Media engagement</td>
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<td>7</td>
<td>Others_________________________</td>
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</table>

What support would you like to receive to facilitate better participation in regulatory affairs?

<table>
<thead>
<tr>
<th>Rank</th>
<th>Support</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Access to information</td>
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<td>2</td>
<td>Training and capacity building</td>
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<td>3</td>
<td>Formal dialogue with key stakeholders</td>
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<td>4</td>
<td>Technical support in filing petitions</td>
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<td>5</td>
<td>Interpretation of orders and regulatory policies</td>
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<tr>
<td>6</td>
<td>Access to data</td>
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<tr>
<td>7</td>
<td>Platform for civil society coordination</td>
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<td>9</td>
<td>Monetary support</td>
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<td>10</td>
<td>Others_____________________________________</td>
</tr>
</tbody>
</table>

Any other inputs/comments/suggestions?
Annexure IV: Analysis of Survey

**Figure 1**: Awareness of CSOs and their experience pertaining to regulatory affairs and power sector. Note: Few of the survey participants have not responded to all the questions. Therefore, those answers are recorded under 'No response' category.

**Figure 2**: Order of priority of issues concerning electricity consumer as per CSOs
Figure 3: Order of priority of key barriers to active participation of consumers and CSOs in regulatory affairs pertaining to electricity sector. Note: Few of the survey participants have given suggestions under ‘Other’ category. Those responses are recorded under key insights from CSO surveys on Page 3.

Figure 4: Order of priority for CSOs to influence power sector and regulatory affairs. Note: Few of the survey participants have not ranked all the options. Therefore, those answers are recorded under ‘No response’ category.
Figure 5: Order of priority of support to facilitate better participation of consumers and CSOs in regulatory affairs pertaining to electricity sector.