

CONSUMER PARTICIPATION IN POWER BOARDS

By virtue of their monopoly the State Electricity Boards (SEBs) have over five decades, kept the consumers virtually in dark, both in terms of their service and working. Ask for a copy of the financial report of the electricity boards and you will never get it. You are not even allowed to make copies of this public document. So how can you question any of the decision taken by the SEBs?

Whether it is a hike in the power tariff or investment on a power project, consumers have no means of access to information. And this is despite the fact that the five-decade-old Electricity Supply Act (1948) provides a legal foundation for consumer participation in the affairs of the SEBs. The Act requires setting up of a state electricity consultative council consisting of representatives from industry, commerce, labour, agriculture and consumers of electricity. It also provides for setting up of a local advisory committee. Unfortunately neither the government nor consumer bodies have taken this provision seriously.

As a result, today we have SEBs paying little attention to the needs of the consumers. Power cuts, be it scheduled or unscheduled is the order of the day. Unilateral decisions are taken to revise the tariff keeping the elections in view. Investments on power projects are made based on political compulsions. At the bottom, the poor consumers have to deal with inaccurate billings, a grievance handling machinery, which never works, and uncourteous staff.

Thanks to the process of economic liberalisation, things have started to change. The SEBs have been compelled to gear up to the needs of the consumers, be transparent in its dealings and give proper representation to the consumers. A new institution called the Central Electricity Regulatory Commission (CERC) has been constituted as per the requirement of the Electricity Regulatory Commission Act, 1998. The Act also provides for setting up of electricity regulatory commissions at state level.

An important feature of this commission relates to setting up of a central advisory committee and a state advisory committee, which ensures consumer participation. The state committees will have representation from industry, agriculture, labour, NGOs and consumer bodies. The objective of these two bodies are to advise the commission on major question of policy, quality of supply of energy, overall standards of performance and most important, protection of consumer interests.

Recently the Administrative Staff College of India, CERC and Power Corporation of India had organized a three-day workshop at Hyderabad wherein the consumers role in power sector reforms were discussed in detail. Mr T.L. Shankar, Principal, of ASCI who presented a paper mentioned the important features of the CERC relating to tariff fixation.

As of now consumers have no opportunity to examine the extent to which the increase in tariff is due to legitimate reasons and how far it is due to inefficiency of SEBs? Consumers have to accept the revision and the forum for redressal is only civil court, which can be approached only by a few. Even these courts have given favourable orders.

But with the regulatory commission coming into being, the fixation of tariff will be transparent and includes view of consumers.

The commission will get the tariff proposals published in newspapers, call for objections and comments from the public. A public hearing will be organized where consumers can raise their views. The accounts of the SEBs will not only be scrutinized by the commission but also are put to public scrutiny. All the proceedings are recorded and consumers will be involved while fixing the tariff.

Orissa is the first state in the country to set up a State Electricity Regulatory Commission. It has also constituted various committees to involve consumers in the working of power boards. Besides, the Grid Corporation of Orissa Limited (GRIDCO) has published a complaint handling procedure relating to distribution and retail supply of electricity.

With the assistance of the Orissa Consumer Association, a Citizens Charter has been prepared. All these measures are part of the efforts of the state electricity regulatory commission.

The GRIDCO has the distinction of being the first to fix tariffs after going through the process of public hearings. The Orissa Electricity Regulatory Commission (OERC) published in several newspapers the proposed tariff revision.

A total of 88 objections were received against GRIDCO's proposal out of which 51 objections fulfilled the stipulated conditions. The final notification was published in newspapers after taking the objections into consideration.

The workshop has called upon the regulatory commission both at the centre and at the states to educate consumers and make available basic information on the economies and finances of tariff setting and project feasibility in the power sector.

It has recommended the CERC to set standards for service, uninterrupted supply of power, assurance of providing new connections within the stipulated time and affordable rates.

Apart from Orissa, the states of Andhra Pradesh, Karnataka and Rajasthan are in the process of setting up state regulatory commissions. This is the right opportunity for consumers and consumer groups to stake their claim and exercise their right to representation.
