

**ANNUAL REPORT
OF THE
TRIPURA ELECTRICITY REGULATORY COMMISSION**

**FOR THE YEAR 2008-09
FOR THE YEAR 2008-09**

**BHOTURIA, BANAMLIPUR, AGARTALA, TRIPURA (W).
PIN-799001**

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INTRODUCTION

The Tripura Electricity Regulatory Commission (TERC) was established on 31st May 2004 as a statutory body and as one man Commission under Electricity Act'2003. The financial performances of power sector in Tripura was a matter of concern for the State Government and it had drawn up a plan for restructuring of Power sector in Tripura for better implementation of the Electricity Act 2003. Accordingly, Tripura State Electricity Corporation Limited (TSECL) was constituted and registered as a public limited Company and started functioning w.e.f. 1st January 2005. The operational control of all assets relating to generation, transmission and distribution and its allied activities has been transferred to Tripura State Electricity Corporation Ltd. (TSECL) from the erstwhile Power Deptt., Govt. of Tripura. As per Electricity Act' 2003 TSECL is considered as a deemed Licensee who is responsible for generation, transmission and distribution of Power in Tripura. It had submitted its Tariff petition and Annual Revenue Requirement (ARR) for the year 2005-06 and 2006-07 and for the subsequent years have not been submitted to the Commission.

1. FUNCTIONS OF THE COMMISSION :

The Commission (TERC) is vested with the responsibilities of discharging the following functions:

- a). Determination of tariff for generation, supply, transmission and wheeling of electricity, wholesale ,bulk or retail, as the case may be ,within the State ;
- b). Regulation of Electricity purchase and procurement process of distribution licensees including the price at which Electricity shall be procured from the generation companies or Licensees or from other sources through agreements for purchase of Power for Distribution and supply within the State;
- c). Facilitation of intra – State transmission and wheeling of electricity;
- d). Issuance of Licenses to persons seeking to act as transmission Licensees, distribution Licensees and electricity traders with respect their operations within the State;
- e). Promote Cogeneration and generation of Electricity from renewable source of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of

Electricity from such sources, a percentage of the total consumption of Electricity in the area of a distribution Licensee;

- f). Adjudication upon the disputes between the Licensees and generating companies and to refer any dispute for arbitration ;
- g). Levying fees for the purposes of the Electricity Act'2003;
- h). Determination of specification of State Grid Code;
- i). Enforcement of standards with respect to quality, continuity and reliability of service by Licensees;
- j). Fixation the trading margin in the intra-State trading of Electricity, if considered necessary;
- k). Discharge such other functions as may be assigned to it under the Electricity Act,2003;
- l). Advice the State Government on all or any of the following matters, namely:-
 - (a). Promotion of competition, efficiency and economy in activities of the Electricity industry;
 - (b). Promotion of Investment in Electricity Industry;
 - (c). Re-organization and restructuring of Electricity Industry in the State;
 - (d). Matters concerning generation, transmission, distribution and trading of Electricity or any other matter referred to the State Commission by the State Government.
 - (e). Maintaining transparency and observance of the National Electricity Policy ,National Electricity Plan and Tariff Policy as per Sub-Section (2) of Section 3

2. **MISSION OF THE COMMISSION :**

The mission of the Commission is to:

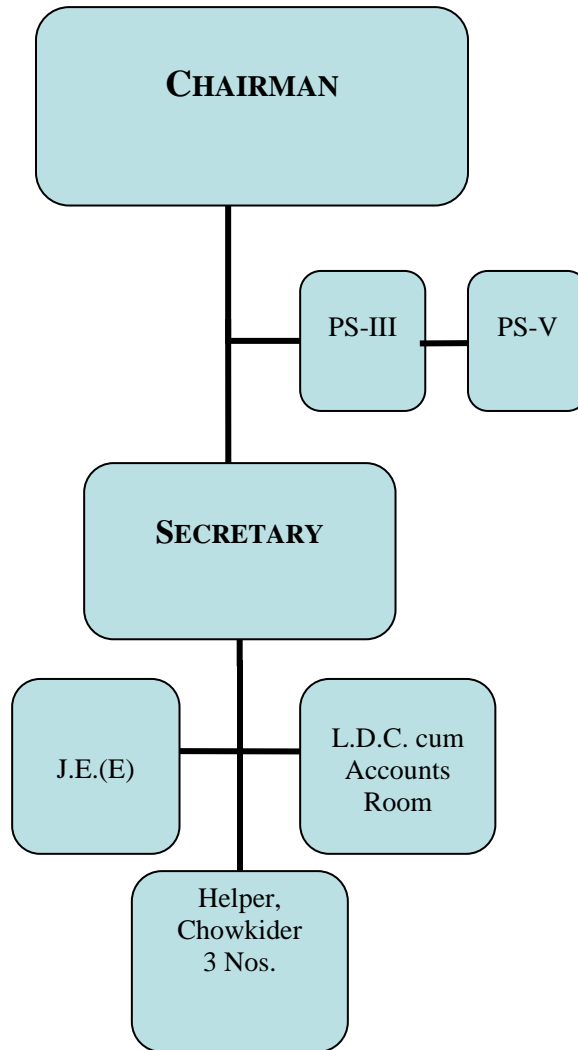
- a. Promote reforms in the Electricity sector.
- b. Encourage transparency, competition and economy.
- c. Regulate the Power purchase and procurement process of the Distribution Utilities.

- d. Secure that the legitimate interests of all Stakeholders including the Consumers.

3. **ORGANIZATION-MANPOWER-INFRASTRUCTURE** :

3.1 The TERC is one man Commission and present setup is shown bellow :-

ORGANIZATION CHART OF TERC (EXISTING)



3.2 The responsibilities of the Regulatory Commission are manifold as per the Electricity Act'2003 and so the manpower requirement with proper office accommodation is also essential. The existing setup required review in respect of designation and number of post, scale of pay and category of officers and

employees etc. The total requirement of officers/staff vis -a - vis the present position of staff are indicated below:-

TOTAL REQUIREMENT VIS-À-VIS PRESENT POSITION OF MANPOWER					
Sl. No	Category of Officers/Staffs	Nos. Proposed.	Scale of Pay (Pre-Revised)	Presently Available	Requirement
(1).	Chairman	1	Rs.18400-500-22400	1 no. Appointed	Nil
(2).	Secretary	1	Rs.12,000-400-18400	1 no.(On deputation)	Nil
(3).	Director (Tech)	1	Rs.12,000-400-18400	X	1
(4).	Dy.. Director (Fin.)	1	Rs.10,000-300-15,000	X	1
(5).	Dy. Director(Legal)	1	Rs.10,000-300-15,000	X	1
(6).	Accounts Officer	1	Rs.7450-225-11,500-250-13,000	X	1
(7).	P.S.	1	Rs.7450-225-11,500-250-13,000	Two nos. On deputation	Nil
(8).	Steno cum Computer Operator	4	Rs.6500-200-10500-25013000	X	1
(9).	Junior Engineer	1	Rs.7450-225-11,500-250-13,000	1 no.(On deputation)	Nil
(10).	U.D.C.	1	Rs.4200-120-6000-130-7300-150-8650	X	1
(11).	L.D.C.	2	Rs.3300-100-4800-110-5900-120-7100	One no.(on deputation)	1
(12).	Group –D- Officials.	4	Rs.2600-55-2985-60-3285-65-3545	One no.(on deputation)	3
(13).	Driver	1	Rs.3300-100-4800-110-5900-120-7100	X	1
(14).	Chowkidere	2	Rs.2600-55-2985-60-3285-65-3545	One no.(on deputation)	Nil

4. STATE ADVISORY COMMITTEE:

In exercise of the powers conferred under section 87 of the Electricity Act'2003, the Commission under notification No. F.28/TERC/SAC/2004/245-74

Dated, 24th September 2004 constituted the Tripura **STATE ADVISORY COMMITTEE**.

The major role of the Advisory Committee as assigned to it under Section 88 of the Electricity Act'2003 is to advise the Commission on

- (i). Major question on Policy.
- (ii). Matters relating to quality, continuity and extent of service provided by the Licensees.
- (iii). Compliance by the Licensees with the conditions and requirements of their License.
- (iv). Protection of Consumer interest.
- (v). Electricity supply and overall Standards of performance by Utilities.

The Tripura Electricity Regulatory Commission, (TERC) obtained nominations from different organizations to represent interest of Commerce, Industry, Transport, Agriculture, Labour, Consumers, Non - Govt. organizations ,Academic and Research bodies in the Electricity sectors as per section 87 (2) of the Electricity Actr'2003.Accordingly under order Dated 24-09-2004 of this Commission 12 members were nominated on the Advisory Committee to represent the interests of various groups and the Chairman of TERC functioning as **EX-OFFICIO** Chairperson of the Committee.

Two meetings of the State Advisory Committee, viz 9th and 10th were held on 14th May 2008 and 11th February 2009 respectively during the year 2008-09.

The Members of the Advisory Committee discussed on various important issues and offered their valuable suggestions viz, Power supply position vis-à-vis load shedding schedule, Operation and maintenance of HT/LT lines and timely attending Consumers call, Failure of Transformers, Presentation of Electricity bills within 5ht of every month to enable the Consumers to pay the bills within middle of each month. The Hon'ble members also suggested to take safety measures and precautions by the licensee with due importance to avoid electrical accident.

5. CONSUMERS GRIEVANCES REDRESSAL FORUM AND APPOINTMENT OF OMBUDSMAN

Consumers' Grievances Redressal Forums have been established at Sub-Division level, District/ Division Level and Head Quarter level of Power sector and the Secretary TERC has been appointed as Ombudsman as per Section 42 Sub-section (5) of the Electricity Act'2003.

6. REGULATIONS FRAMED BY THE COMMISSION:

(A). The Commission has so far issued the following 11(eleven) Regulations which are arranged by date of publication in the Tripura Gazette.

<u>Sl.No.</u>	<u>Name of Regulations</u>	<u>Date of Publication in the Tripura Gazette</u>
1.	Conduct of Business Regulation 2004.	17 th January 2005
2.	Standard of Performance Regulation 2004.	18 th January 2005
3.	Tariff Regulation 2004.	18 th January 2005
4.	Electricity Supply Code Regulation 2004	19 th January 2005.
5.	Tariff Procedure Regulation 2004.	19 th January 2005.
6.	Consumer Grievance Redressal Forum & Appointment of Ombudsman Regulations, 2005.	19 th September 2006.
7.	Grant of Licensing and Terms and Conditions of License Regulations, 2005.	19 th September 2006.
8.	Terms and Conditions of Consultants, Regulations, 2005.	19 th September 2006.
9.	Miscellaneous Provisions Relating to Petitions, Fees Regulations, 2005.	19 th September 2005.
10.	Miscellaneous Provision Regulations, 2005.	19 th September, 2005.
11.	State Advisory Committee Regulations.	Notified by TERC, on 24 th September 2004.

(B). **Regulations to be published:**

<u>Sl.No.</u>	<u>Name of Regulations</u>	<u>Date of Publication in the Tripura Gazette</u>
1.	Regulation for grid Code	-----
2.	Regulation for Open Access.	-----

- (C). 1(One) no. Regulation on Co-generation and generation Electricity from Renewable sources of Energy has been prepared during 2008-09 and sent to the State Government for concurrence and publication in the Tripura Gazette.

7. TARIFF ORDER STATUS:

The Commission has passed 2(Two) Tariff order on receipt of Tariff petition and Annual Revenue Requirement (ARR) from the Licensee i.e. TSECL for the year 2005-06 & 2006-07.

There were no Tariff petitions received from the Licensee for the years 2007-08 and 2008-09 due to non-finalization of accounts and some other reasons. The Tariff order issued for 2006-07 is still in force.

8. FINANCE AND ACCOUNTS:

The Finance and accounts of the TERC were maintained by the TSECL/Power Department, Govt. of Tripura till March 2006. From April 2006, the fund is being received from State Government by TERC. The balance Sheet of the Income and Expenditure Accounts of TERC for the FY 2008-09 as per Annexure- I is enclosed.

9. BUDGET PROVISION FOR 2009-10:

The budget provision for FY 2009-10 was Rs.40 (forty) lacs and an amount of Rs.8, 75,000 has been released by the State Govt. as 1st installment against 1st quarter of FY 2009-10.

10. LEGAL DISPUTES.

The reply of Show cause Notice of Hon'ble High Court in the matter of Writ Petition No.W.P©/346/07 has been furnished through Ltd. Sr. Advocate Sri Sankar Deb.

11. CONCLUSION:

During the period w.e.f. April 2008 to March 2009, the Commission received considerable support and cooperation from the Govt. of Tripura and also from the Licensee i.e. TSECL and from all section of the public of Tripura like previous years .It is expected that this support will continue during ensuing years also for better to –morrow in Power sector .The biggest achievement of the Commission is that it could bring down the Revenue-gap of TSECL substantially without any increase in tariff to any category of Consumers in the State of Tripura since 2006-07.

Dated, 4th June 2009
Agartala.

Secretary
TERC

TRIPURA ELECTRICITY REGULATORY COMMISSION

AGARTALA: TRIPURA

Balance Sheet

INCOME & EXPENDITURE ACCOUNTS FOR THE YEAR 2008-2009.

<u>Income</u>		<u>Expenditure</u>	
Particulars	(In Rs.)	Particulars	(In Rs.)
Opening Balance .	12,380.00	Salary	16,27,343.00
(i). Cash in hand	18,56,574.00	Non salary	2,05,847.00
As per Bank statement Rs.18,91,086.00			
Less un-clear cheque (-) Rs.134512.00			
(521+800+9263+ 4131+9000+2097+ 8700) Rs.18,56,574.00			
As fees for FY 2005-06 (Principal amount)	26,79,648.00	G.P.F. Advance	13,60,000.00
-- Do -- for FY 2006-07 (Principal amount)	26,79,648.00	Annual fees	
Salary	25,00,000.00	Fixed deposit to SBI	58,15,306.00
Non Salary	1000,000.00		
G.P.F.	13,60,000.00		
		Bank commission.	1,575.00
As fees for FY 2007-08		Cash in Bank as per Bank statement as on 31st March'09	36,84,972.00
Interest receipt from Fixed deposit.	4,56,010.00	Cash in hand	310.00
		Sub Total=	1,26,95,353.00
		Cheque issued but not cash from Bank 1,10,494+38,385+ 2214	(-)1,51,093.00
TOTAL=	1,25,44,260.00	TOTAL=	1,25,44,260.00

(Er.Dipak Chakraborty)
Secretary
T.E.R.C.