



No.H. 11019/27/12 – JERC
JOINT ELECTRICITY REGULATORY COMMISSION
FOR MANIPUR AND MIZORAM
AIZAWL : MIZORAM

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Dated Aizawl, the 28th February, 2014

**MINUTES OF THE 14th MEETING OF THE STATE ADVISORY
COMMITTEE OF MIZORAM**

Venue : I&PR Department Conference Hall, Aizawl, Mizoram
Date & Time : 17th February, 2014, 11:00 a.m.

List of participants is appended.

Mr. N.Shyamsundar Singh, Chairperson of the Commission, and Mr A.Chhawnmawia IDES (Rtd.), Member of the Commission were on the dais to take the 14th Meeting of the SAC, Mizoram.

The Chairman initiated Agenda - wise discussion:

1. Confirmation of the Minutes of the 13th Meeting of the SAC Mizoram held on 5th December, 2013:

Initiating the discussion, the Chairman requested the Members of the Committee to give their comments on the minutes of the 13th SAC which has been circulated to them earlier. After obtaining nod from the members, the minutes of the meeting was declared as confirmed.

2. Determination of Retail Tariff for Power & Electricity Department, Mizoram for FY 2014 – 15:

The Chairman explained in details how the tariff is being determined by the Commission and also informed the Committee that a thorough discussion on the various aspects of the Tariff Petition is required so that the interests of

both the Department and the Public do not clash. The Chairman also reiterated that the determination of tariff is a basic requirement for the healthy power sector reform in Mizoram and briefly narrated about the proviso to be kept in mind while determining the tariff as required by Section 61 of EA, 2003. The retail tariff is for the FY 2014 -15, which will be effective with effect from 1st April 2014 till the next Tariff Order is issued by the Commission.

The Chairman also explained in details the various components of the Aggregate Revenue Requirement (ARR) proposed by the Department and also drew the attention of the Members to the comparison between the proposed ARR FY 2014-15 and the approved ARR for the FY 2012 – 13. The Chairman, then requested the Members to give their views on the Agenda.

Mr Vanlalruata, General Secretary, CYMA representing the President enquired about the rate of depreciation filed by the Department in the Tariff Petition. The Chairman replied that the rate of depreciation differs from item to item and as the asset of the department is not yet accounted properly, the depreciation stated by the Department is an assumed figure, the real figure would be known only after proper maintenance of account and auditing are done in the Department.

Mr Laldingliana, Secretary representing Mizoram Consumers' Union wanted to know the reason behind the decrease in employee cost and Administration & General Expenses in the proposed FY 2014 – 15 comparing with the figures of FY 2012 – 13. Mr L.Pachuau, E-in-C, P&E Department replied that this is because more fund was expected from the Government. Mrs. M. Zohmingthangi IAS (Rtd.) CEO, AMC wanted to know the reason for the delay in serving bills. The E-in-C replied that there are various factors which cause the delay in serving bills to consumer and said that even surcharge has been imposed for the delayed payments.

The Members are of the opinion that even though the hike in the tariff is required it should not seriously affect the public and that the tariff hike should be within the affordability of general public.

Mr. C. Lalbiakluanga, Additional Director, representing Director, Industries Department enquired about how to lessen the contract demand rate billed by the department to their industrial estates. The Committee felt that it is a matter to be discussed between the two Government Departments.

3. a) Introduction of Smart / Highly Efficient Energy Metering System in the State of Mizoram by Power & Electricity Department:

The introduction of smart metering system was proposed by the CYMA and the Chairman requested Mr Vanlalruata GS, CYMA to give his views on the item. Mr Vanlalruata stated that introduction of smart metering system in Mizoram is required so as to minimize theft and loss of power in the system. Further, this smart system would enable both the consumer and the Department on how much bills are to be made to each consumer. Mr. L.Pachau, E-in-C replied that with the prevailing use of induction electrical stoves in Mizoram for cooking purposes, there is a huge consumption in energy, particularly re-active power which is not yet accounted for in Mizoram. He also stated that the present meters are not accurate enough. In this regard, he assured the Committee that with a completion of the RADPRP scheme, this matter shall be solved.

b) Amendment of Mizoram Electrical Licensing Regulation, 2003:

The Amendment of the Mizoram Electrical Licensing Regulation, 2003 was discussed and the E-in-C informed the Committee that the Department will take a further study and if it is permissible within their Electricity Act of 2003, appropriate amendments as proposed by the CYMA will be done.

4. Chapter 6 (c) of the Draft Electricity Supply Code Regulation, 2013:

Mr A.Biaklawma, MCS, Director, LAD informed the Committee that on chapter 6 (c) of the Draft Electricity Supply Code Regulation, 2013 it is stated that Local Bodies / Village Councils are to finance the cost of energy / power supply to public lighting including complete fittings etc. He further stated that the Local Bodies in Mizoram does not receive funds for maintenance and therefore, proposed that this should be handed over to the Department as done earlier.

The Chairman informed the Members that Regulations was made with a view to setting up a healthy power sector in the State and stated that if fund constraint is the problem, the Department concerned should take up the matter with the State authorities for allocation of appropriate funds for the installation and maintenance of public lighting system in Mizoram.

The Chairman informed the Committee that he will be demitting his office on the 28th of this month and expressed his humble apologies for any wrong that he might have done during his tenure and requested the Members to continue their active participation and providing support to the Commission for the further development of the sector.

The Meeting ended at 2:30 PM with a vote of thanks to the Chair.

Sd/- N.SHYAMSUNDAR SINGH

Chairperson

Memo No.H.11019/27/12-JERC : Dated Aizawl, the 28th February, 2014.

Copy to:

1. P.S to Hon'ble Chief Minister, i/c P&E Department, Govt. of Mizoram for kind information to the Hon'ble Chief Minister.
2. PS to Secretary, P&E Department, Govt. of Mizoram for kind information to the Secretary and for taking necessary action on the Minutes of the Meeting.
3. All Members / Special Invitee / Invitees of the State Advisory Committee for kind information and for taking necessary action on the Minutes of the Meeting.
4. Guard File.

Sd/- RICHARD ZOTHANKIMA
Assistant Secretary