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Maharashtra Chamber of Commerce, Industry & Agriculture

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MACCIA: 89:2016:

21th April, 2016

To,

The Members,
Maharashtra Electricity Regulatory Commission,
13th Floor, Centre 1,
World Trade Centre
Cuffe Parade,
Colaba Mumbai - 400005.

MERC
Date 22/4/16
No. 0339

Sub: Revised Network Rollout Plan of Tata Power Co. Ltd. - Committee Report.

Dear Sir,

We are in receipt of the above said report in connection with revised network rollout Plan of Tata Power Co. Ltd. Prepared by Shri. Prafulla Varhade, and others on the 11th April 2016.

At this stage we have not received the Comments & Opinion offered by all the four Licensees, as such we are in a position to offer our interim opinion and Comments only. Our detailed comments shall be submitted only after we receive the comments of all the licensees, but before the Public hearing.

The interim comments are attached of on the enclosed pages.

Thanking you,

Yours faithfully,

(Anil Gachke)
Ex-Vice President & Co-chairman MERC
MACCIA committee

Sagar Nagare
Acting Secretary General
MACCIA

Encl: Comments on the Report.

Comments on Report submitted by the committee of Shri. Prafulla Varhade and others on revised network Rollout Plan

1. The Report appears to be not impartial.
2. The Consumers interests in the geographic Area Catered by R-infra-D are broadly overlooked.
3. The Cheaper Power cannot be availed by consumers due to recommendation of this report. It is not consumer friendly.
4. Report is harsh as far as BEST for Geographical Area Catered by them. As well as it is very soft for R-Infra (Distribution) for geographical Area Catered by them.
5. Many Recommendations if implemented the consumers of Tata Power shall be at disadvantage.
6. Consumers can not have Choice of choosing the Electricity Supplier even though he has been given right by Act & Court.
7. The Existing Consumers will be burdened and new Consumers will be refrained to avail power from Tata Power Co. due to cost components of network and wheeling Charges, added to the tariff.
8. In order to have cost-effectiveness it is necessary to have a Large Consumer base so that the input cost can be divided on the larger nos. of Consumer this basic fact is ignored while preparing the report and recommendations.
9. Recommendations made by committee are impractical at the time of implementation. e.g. Laying the Service lines in advisee without having consumer base and then searching for consumers can not be a practical Solution.
10. Due to hard and stringent recommendation of this report switching over of consumers for cheaper power is virtually impossible.
11. This will reframe new consumers to opt for cheaper power in spite of Choice given to him by ACT.

Comments on section 7 Concern with BEST

1. Committee admits that TPC - D cannot first Lay the network and wait to give supply to the consumers as &when they come. And also says to use BEST network on the commercial Terms by TPC-D.

This stand is not seen in the earlier chapters.

2. On page 39: Report recommends the switch over is not permitted which is contrary to the recommendation on page 69 and page 70.

Summary:

In nutshell; due to Reports recommendation, following impacts will be seen.

- i) Monopoly situation will be created
- ii) Choice for the Consumer to Choose the Service Provider is lost
- iii) Due to various recommendations cost will be loaded appropriately on consumer and they will be at disadvantage.



(Anil Gachke)
Ex-Vice President & CO-chairman MERC
MACCIA committee



Sagar Nagare
Acting Secretary General
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