

**SPEECH OF HON'BLE MINISTER FOR ELECTRICITY FOR THE CONFERENCE OF ELECTRICITY REGULATORY COMMISSIONS OF TAMIL NADU, ANDHRA PRADESH, KARNATAKA AND KERALA, HELD AT MADURAI.**

The Chairman, of the Central Electricity Regulatory Commission

The Chairmen and Members of the Electricity Regulatory Commissions of Tamil Nadu, Andhra Pradesh, Karnataka and Kerala

The Members of the press,

Ladies and gentlemen,

It is my privilege to be associated with this Conference of Electricity Regulatory Commissions of Tamil Nadu, Andhra Pradesh, Karnataka and Kerala. I extend a hearty welcome to all the delegates. I am proud to state that this is the second meeting to be held in Tamil Nadu. The first one was conducted in March, 2008 in Ooty. Tamil Nadu had the occasion to host the All India Conference of Electricity Regulatory Commissions in January, 2009 at Chennai, under the guidance of **Hon'ble Chief Minister Dr. Kalaignar Karunanidhi**.

2. In "Thirukkural" which has been considered as "**World Common Ethical Treatise**" **Ayyan Valluvar has said that** "நீர் இன்றி அமையாது உலகெனின் யார்யார்க்கும் வான்இன்று அமையாது ஒழுக்கு" which means without rain, there cannot be any living things in the world. Ultimately we require Electricity to pump the water collected from the said rain to our houses. In the modern world, without electricity we cannot have any modern facilities in the world.

3. All of you are aware that Power Sector is the mother industry and all other sectors, be it IT, Agriculture or Industry depends to a larger extent on the performance of Power Sector. The higher growth rate contemplated by the Government can be achieved only if the Power Sector performs well. Therefore, it is wisely kept under the Concurrent List in our Constitution and both the Central

Government and State Government are responsible for accelerated development of the Power Sector for attaining the ultimate objective of overall development.

4. I am happy to announce to this august assembly that in several aspects Tamil Nadu has already achieved the targets set by Government of India for the 11<sup>th</sup> Plan period as:

- i) The entire state as on date stands fully electrified & over 98% households already have access to electricity.
- ii) Per capita consumption of electricity during the year 2008-09 has already crossed 1000 units against the national average of about 635 units.
- iii) Our billing & collection efficiencies are about 100% & 98% respectively.
- iv) Maximum demand met on a single day was 216.380 MU (29-06-2009) and sustained peak met was over 9910 MW.
- v) Our installed generation capacity is 10214 MW for conventional & 4886 MW for Non-Conventional Energy Sources.
- vi) Our consumer base is 2.03 Crores with an average addition of 5 lakh consumers every year.
- vii) The number of Sub-Station from 89 in 1957 has gone upto 1,259 and Distribution Transformers from 3,173 to 1,85,154 as on 31.03.2009.
- viii) Our demand for electricity has been growing at an average rate of 8% & it is expected to increase to 9% due to huge investments in industrial and manufacturing sector due to proactive & investor friendly industrial policies of the Government of Tamil Nadu led by our leader **Dr.Kalaignar** and therefore by the end of 2011-12, we expect the projected demand almost to be 14000 MW.
- ix) As against the target of 1853.80 MW of capacity addition, during the 10<sup>th</sup> Plan, TNEB was able to achieve 1698.80 MW. Learning from the past deficiencies, we have planned our on going capacity addition programme in such a way, so as to ensure that by the end of the current 11<sup>th</sup> plan period Tamil Nadu becomes truly power surplus state.

During the first 2 years of the plan period, we have already added a capacity of 450 MW. However, to reach the plan targets, the works for close to 6000 MW capacity are progressing well:-

(2x600 MW at NCTPS, 600 MW at Mettur, 3x500 MW at Vallur near Chennai, 2x500 MW at Tuticorin, 2x800 MW Super Critical Thermal Plant at Udangudi in Tuticorin & 100 MW Smaller Hydro Projects).

The Government have also accorded approval for setting up of 600 MW plant at Ennore, 1200 (2x600 MW) plant at Kattupalli – both near Chennai.

In addition, 500 MW capacity expansion projects of Neyveli Lignite Corporation and 2000 MW (2x1000MW) atomic energy plant at Kudangulam is likely to be commissioned by next year and our share from this atomic project is 924 MW.

“In Principle Clearances” have also been given for the establishment of 4000 MW Ultra Mega Power Project at Cheyyur by National Thermal Power Corporation Limited and 1600 MW lignite based power project at Jayankondam by Neyveli Lignite Corporation.

Further, we have taken lead in supporting Government of India’s initiatives in respect of Merchant power plants. We expect 5 Merchant Power Plants for a total capacity of 10,000MWs will be installed within 2012.

With these programmes in place, I am sure that Tamil Nadu will become a power surplus state by the end of this current plan period.

5. Regarding protection of Consumer interest, I would like to say that in democracy people are the Masters. Similarly consumers are the Masters to an Organisation involved in public service. Our great Leader **Peraringer Anna**, the former Chief Minister of Tamil Nadu was inspired by the Latin term “**Vox Populi**” used to say “**People’s Voice is Almighty’s Voice**”. Consumer awareness and consumer rights received a boost with the enactment of the Consumer Protection Act, 1986. The Electricity Act, 2003 reinforces the consumer protection offered by the Consumer Protection Act, 1986. Section 42 of the Electricity Act, 2003 has created the institutions of Consumer Grievance Redressal Forum & Electricity Ombudsman for Redressal of the grievances of Electricity Consumers.

6. I am happy to state that we have established 39 Consumer Grievances Forums, in each of the distribution circle have rendered yeoman service to the consumers. They have disposed off 399 cases in 2006, 426 cases in 2007, 391 cases in 2008 and 88 cases in 2009 (upto 31-03-2009). About 500 cases out of 1300 cases have gone in favour of consumers. Recently, in 16<sup>th</sup> September 2009, Tamil Nadu Electricity Regulatory Commission conducted a grand Workshop on “**Protection of Consumers under the Electricity Act, 2003**” covering all the Chairmen & Members of CGRF, spread across the entire state, which was well attended well educative. I had the opportunity to participate in the meeting along with the Hon’ble Chairman of Appellate Tribunal for Electricity - **Justice Thiru M.Karpagavinayagam**. Electricity Ombudsman began functioning in 2005. It has disposed off 60 cases. 43 cases have been decided in favour of consumers.

7. The Tamil Nadu Electricity Regulatory Commission has created a Consumer Query Platform. The Commission furnishes reply to all queries promptly. The questions may be sent either by post or through e-mail. The platform was established in 2007. 300 queries have been replied so far. Tamil Nadu Electricity Regulatory Commission, in yet another significant step, has been bringing out a quarterly magazine titled “**Min Nugarvor Thunaivan**”(மின் நுகர்வோர் துணைவன்) since 2006, a publication which highlights the important developments in the power sector for the information of consumers. This magazine is supplied free of cost to all consumer organizations. I am very happy to congratulate, the Tamil Nadu Electricity Regulatory Commission Chairman **Thiru S. Kabilan**, and other members of Commission for all these consumer friendly activities and I wish this trend to continue in leaps and bounds.

8. I understand that the Southern Electricity Regulatory Forum has so far exchanged experiences and thoughts on formation of a Southern Regional Electricity market, development of a common data base, possibility of a common approach towards renewable sources of energy, categorisation of consumers, common tariff for Solar Energy, directive under Section 11 of the Act, levy of development charges, approval for capital investment, reduction of cross subsidy

surcharge, depreciation for generation and transmission assets, ring fencing of load despatch centres, power shortage, non-compliance of orders of Consumer Grievances Redressal Forum and Ombudsman, third party meter testing etc. The Forum also benefited from the experience of distribution automation introduced in Trivandrum, prepaid electric meters functioning in Cochin, functioning of compliance examiner in Kerala, functioning of Consumer Advocacy Cell in Karnataka, etc.

9. In my opinion, an issue which requires urgent consideration of the Government of India is the establishment of a national grid for electricity. Section 25 of the Electricity Act, 2003 empowers the Central Government to facilitate integrated transmission and supply of electricity in the country. At present electricity grid of the northern region, eastern region, western region and north eastern region are inter-connected since August 2006, whereas the southern grid continues to function in isolation. In the absence of inter-connection of the southern region with the rest of the country, the southern region is unable to take advantage of daily and seasonal variations. The southern region being highly industrialized with the resultant high demand for power, is unable to benefit from the surplus available in the rest of the grid. It has also been found that the charges for over-drawal of southern states from the grid is higher than the charges for the rest of the country. I appeal to the Government of India to expedite the creation of a truly national power grid. Till such time, justice demands that the Central Electricity Regulatory Commission prescribes lower over-drawal charges for the southern grid.

10. Yet another suggestion that I would like to make to our neighbours relates to cooperation in time of power shortage and surplus. The surplus at any time of day in any State could be diverted to another State temporarily, which could come to the rescue of the lending State in times of need.

11. I hope and trust that the deliberations of this conference would pave the way for better understanding and co-operation among the southern states. I wish the deliberations success. I once again convey my thanks to the Chairman,

**Thiru S. Kabilan**, and other Chairmen of Southern region for giving me this opportunity to participate in this conference.

Thank you,

\*\*\*\*\*

Issued by: Director, Information & Public Relations Department, Secretariat,  
Chennai-600 009