No.44/13/2014-RE
Government of India
Ministry of Power
Shram Shakti Bhavan, New Delhi-110001

** **

Dated the 4th January, 2018

To

1. CMDs & MDs of all DISCOMs in all States/UTs.
2. Chairperson, CEA, R.K. Puram, New Delhi
3. CMD, REC, New Delhi
4. CMD, PFC, New Delhi
5. CMD NTPC, Core 7, SCOPE Complex, Lodhi Road, New Delhi-110001
6. CMD PGCIL, Saudamini, Plot No.2, Sector-29, GURUGRAM, Haryana
7. CMD, DVC, DVC Headquarters, DVC tower, Kolkata-700054

Subject: Minutes of Review, Planning and Monitoring (RPM) meeting of Ministry of Power with CMDs & MDs of all States/UTs held under the Chairmanship of Secretary (Power) on 30th November, 2017 in New Delhi.

Sir,

I am directed to enclose herewith the Minutes of the Review, Planning and Monitoring (RPM) meeting of Ministry of Power held under the chairmanship of Secretary (Power) on 30th November, 2017 with CMDs & MDs of all States/UTs in New Delhi for taking necessary action and circulation to all concerned.

Encl : As above

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Copy to :

1. PS to Minister of State of Power (Independent charge)
2. PPS to Secretary (Power).
3. PPS to AS(SP)
4. PS to all JS(s), Ministry of Power
5. PS to Director (Distribution) / Director (RE)
Minutes of Review, Planning and Monitoring (RPM) meeting of Ministry of Power with CMDs/MDs of DISCOMs held on 30\textsuperscript{th} November, 2017 at New Delhi

Review, Planning and Monitoring (RPM) meeting of Ministry of Power with CMDs/MDs of DISCOMs was held under the chairmanship of Secretary (Power) on 30\textsuperscript{th} November, 2017 at New Delhi. The list of the participants is at \textit{Annex}.

1.1 Joint Secretary (Distribution), Ministry of Power welcomed the Secretary, Ministry of Power, Chairmen/MDs of the Power Utilities & other officers. JS complimented the States for the achievements of village electrification and requested the States to put all efforts in completing the remaining un-electrified villages.

1.2. In his opening remarks, Secretary (Power) explained the importance of village electrification. He also drew attention to several important schemes/ projects/ programmes of the Ministry such as UDAY, IPDS, 24x7 Power for All, Feeder Monitoring etc. which needs attention of the States/UTs. Secretary (Power) highlighted the importance of creating last mile connectivity under SAUBHAGYA, which is really challenging.

2.0 \textit{Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY)}

2.1 Dr. P. Shakil Ahammed, Senior Executive Director, REC made the presentation on DDUGJY covering village electrification, award of balance un-electrified villages, award of new projects & actions required under SAUBHAGYA. Sr. ED, REC requested the States to take SAUBHAGYA on fast track and put all efforts to achieve the targets. During the deliberation, following points emerged:

2.1.1 States to adhere to the weekly targets communicated by REC for village electrification or submit their own weekly plan considering field constraints and in any case keeping the completion target by 31.12.2017.

2.1.2 States to expedite award of balance 90 new projects sanctioned under DDUGJY latest by 31.12.2017. In case of any issue in award of these projects, States may opt for departmental execution with prior permission from REC/MoP.

2.1.3 Progress of new projects would be monitored online, States to upload progress in web portal on fortnightly basis. User ID & passwords to respective DISCOMs had already been communicated.

2.1.4. States to expedite works covered under ongoing RE & DDUGJY New projects. That would facilitate creation of village electrification infrastructure and compliment household electrification achievement under SAUBHAGYA.

2.1.5 Department of Posts is in the process of survey of households in 5 States (MP, Assam, Chhattisgarh, Jharkhand & Odisha) and surveyed data will be shared with respective States.

2.1.6 Letter of Intent (LoI) for participation in Saubhagya has been received from 11 States only (Assam, Bihar, Chhattisgarh, Gujarat, Jharkhand, MP, Mizoram,
Nagaland, Odisha, UP & Uttarakhand) and remaining States to submit LoI at the earliest.

2.1.7 The States, which have given LoI under SAUBHAGYA, are required to submit request for ad-hoc advance along with required supporting documents and avoid parking of funds.

2.1.8 States to plan for wide publicity of SAUBHAGYA so that larger number of population is benefitted under the scheme, logo of SAUBHAGYA should be printed on related Stationery. States have been requested to share photographs, videos on SAUBHAGYA to MoP & REC.

2.1.9 To the suggestion of some States for considering mini-grid mode of implementation under SAUBHAGYA, Sr. ED advised such States to submit their proposal to REC.

2.1.10 Managing Director, Uttarakhand requested to allow BPL savings to utilize under system strengthening component. JS (Distribution), advised him to submit detailed proposal along with necessary justifications.

3.0 Integrated Power Development Scheme (IPDS)

3.1 JS (Distribution) observed that the States should appreciate the importance of faster implementation of schemes for the development of distribution sector. He also emphasized on expediting the awards under IT Phase-II, Smart meters/ Pre-paid meters and project implementation under IPDS. JS further observed that changes in Bid of Quantity (BoQ) of IPDS sanctioned projects needs to be reported and ratified, and PFC must bring a consolidated BoQ awarded by States particularly indicating changes with reference to sanctioned BoQ to the notice of Monitoring Committee. The need to complete the projects under IPDS/R-APDRP by States/ Utilities within schedule was emphasized again to avail the benefits of the Programme by States.

3.2 Secretary (Power) advised that the recently launched National Power Portal needs to incorporate approx. additional 1 lakh rural feeders. He asked MDs to take regular reviews to ensure the same. Also, Secretary (P) advised States to focus on increasing Billing Efficiency, tariff restructuring and tariff rationalization, and not view UDAY as a means to defer financial liability. Secretary (P) also highlighted that aggregating the smart meters procurement by EESL will lead to reduction in unit cost of smart meter.

3.3 After a presentation by ED (IPDS) and detailed discussion on IPDS, following action points emerged:

3.3.1 DISCOMs where projects are yet to be awarded were advised to expedite and complete the process by December 2017. In the meanwhile, they should submit a request for time-extension for pending awards beyond September 2017.

3.3.2 DISCOMs to ensure regular review of projects by their CMDs/ DRC, expedite physical progress of projects and submission of claims to PFC/MoP. Non-submission of claims may lead to surrender of budget and less allocation of funds in next FY.
3.3.3 DISCOMs to inform PFC/MoP about the changes arising in awarded BoQ of IPDS projects.

3.3.4 IPDS project monitoring module on web portal is required to capture intermediate milestones to capture work in progress (WIP) for better appreciation and monitoring of implementation.

3.3.5 DISCOMs to prioritize future procurement of Consumer meters with Smart meters for dedicated Industrial Pockets/ High load consumers and pre-paid meters for domestic consumers.

3.3.6 States to submit DPRs for IT Phase-II, ERP, additional BoQ, Smart metering solutions within next 2-3 days for consideration of 11th Monitoring Committee Meeting scheduled for 5th December 2017. Rajasthan’s request for IT Phase II funding (Utilities to certify that there is no BoQ overlap) and Jharkhand’s request for ERP (under implementation) funding to also be put up in next Monitoring Committee for their consideration. Further, based on requests from States, a provision of Rs.155 crore consisting of Rs.15 crore each for balance NER States and Rs.40 crore each for ERP schemes of MP and Jharkhand was discussed. Funding of Smart metering solution projects would be on the basis of performance under UDAY.

3.3.7 Utilities like WBSEDCL, MSEDCL, Uttarakhand, Gujarat etc. had expressed that UG cable scheme under the current dispensation may not be feasible and MoP may like to re-look the scheme.

3.3.8 In view of the requests of NER States for additional funding for system strengthening, PFC was advised to review the IPDS Outlay and bring its proposal to Monitoring Committee for consideration of additional funds to NER States, to the extent feasible. Further, it was agreed to consider funding of additional Solar Panels in Uttarakhand under IPDS.

3.3.9 DISCOMs where IT Phase-2 DPRs are sanctioned to expedite NIT /award of work, it was agreed to permit IT Phase-II implementation without PMA in States with IT capability. Also, Utilities may consider extending the scope of work of appointed PMA under IPDS with reference to additional sanctions made subsequently.

3.3.10 PFC to put-up a report to MoP on pending Awards in Haryana under IPDS, status of Part-A IT implementation in Tamil Nadu/Puducherry under R-APDRP and an assessment of comprehensive SCADA implementation across States under R-APDRP.

3.3.11 PFC to organize Smart meter pilot Study tour to Mysore for MDs of DISCOMs and PFC Officials.

3.3.12 DISCOMs of Haryana, Kerala, Uttar Pradesh, Goa, Jharkhand, NE to expedite Third party verification.

3.3.13 States to expedite process for closure/ submission of UC of Part-A [Bihar, Gujarat, HP, Karnataka, Maharashtra, Uttarakhand] and Part-B projects [Assam, Bihar, HP, Punjab, UP, NE States]. Any delay may lead to lesser conversion of loan into grant.
3.3.13.1 Interest accrued on GoI fund and Counterpart loan upto 31st March 2017 shall be considered for capitalization/conversion of loan into grant after achievement of desired milestones necessary for conversion of Part-B loan into grant.

3.3.13.2 DISCOMs to expedite completion of projects keeping in view the sunset date of RAPDRP projects set at FY21-22 and meet conversion milestones to achieve annual grant conversion benefits envisaged as per RAPDRP guidelines.

3.3.14 DISCOMs to strive for completion of SCADA/DMS projects by March 2018 and ensure that overall objective of SCADA/DMS is met.

3.3.15 DISCOMs to regularly update delta changes and ensure linking of new 11KV feeder data on NPP Portal. Also, reward and recognition concept of Feeder Manager to be emphasized by all DISCOMs.

4.0 Ujjawal DISCOM Assurance Yojana

4.1 Presentation on UDAY progress was made by Director Distribution, MoP.

4.2 Achievement by States/Discoms:

4.2.1 DD, MoP presented the progress made by States / DISCOMs on twomajor outcome Parameters under UDAY i.e. AT&C Losses and ACS-ARR Gap reduction. While some States/ DISCOMs have shown improvements in line with targets and better than last year, some others have improved their performance but could not achieve the targets and performance of few others are yet to show any improvement.

4.2.2 States of Manipur, Rajasthan and Goa were able to reduce the GAP substantially whereas GAP for Karnataka, Kerala and Meghalaya increased during FY17. The value of AT&C Loss improved substantially in case of Himachal Pradesh, Manipur and Rajasthan whereas AT&C Loss increased for Punjab, Assam and Uttar Pradesh.

4.3 Based on FY17 data as available on UDAY Portal the ACS-ARR GAP has reduced from 0.60/unit in FY16 to 0.43/unit in FY17 and AT&C Loss reduced from 21% in FY16 to 20% in FY17 for UDAY States.

4.4 Major Issues

4.4.1 Major Issues discussed were increase in AT&C Losses and Gap when compared with base year as well as not achieving the target values. Establishment and Other Costs as a component of ACS i.e. States with high establishment and other cost – higher than UDAY Average, dues from the Government Departments, Gap in subsidy release by State Governments, dues to GENCOS, Performance lagging behind in DT Metering and Smart Metering were also highlighted.

4.4.2 Increase/No improvement in AT&C Loss and Gap was replied by Assam, as because of increase in supply to rural areas from where the collection efficiency and revenue realization per unit were less. It was also informed that while preparing the
true up petition for FY17 the values of Gap shall improve. Secretary (Power) asked the State to quote revised and audited figures on the UDAY portal so that there is no confusion in the figures submitted by the State. MD, Assam DISCOM assured that figures shall improve this year.

4.4.3 Uttar Pradesh was not represented from central level of UPPCL, hence could not be clarified for the State.

4.4.4 Karnataka replied that due to draught in the State the Power Purchase cost has increased hence the ACS ARR Gap also increased.

4.4.5 Bihar replied that due to more supply to the rural areas, the Gap increased from Rs.0.65/unit in FY16 to Rs.0.71/unit during FY17, but assured that this year due to substantial increase in tariff they hope to improve the Gap and also due to updation of software and by improving the collection efficiency the AT&C Loss shall also improve.

4.4.6 Secretary (P) emphasized that the MDs should come out with active measurable interventions to reduce ACS-ARR gaps & AT&C losses rather than merely mention intents.

4.5 States with high establishment and other cost:

4.5.1 A general trend has been seen on a preliminary analysis wherein the DISCOMs with high power purchase costs are seen with lower establishment costs and vice versa. While geographical spreads and other relevant issues haven't been factored in the analysis, a view emerges whether DISCOMs with low power procurement costs could be not making adequate efforts in reducing their establishment and other costs.

4.5.2 Discussions were held with States with high establishment and other costs. Average for UDAY States is Rs.0.67/unit i.e. 13% of ARR (Average Revenue Realized per unit). The potential savings of about Rs. 10,000 Cr., was projected if establishment and other costs are reduced to the extent of average of UDAY States.

4.5.3 Kerala led the table of high establishment and other cost with Rs. 1.73/unit expenses followed by Himachal Pradesh, Goa, Punjab, Maharashtra, Assam, Manipur, Rajasthan and Tripura. It was emphasized upon that concerned states should look into the possible avenues to reduce the high establishment and other costs.

4.6 Smart Metering: The progress in the installation of smart meters in both the categories of >500units/month and >200units/month was found negligible. JS, MoP informed that corpus of approx. Rs. 750 Cr. is available for allocation to the States with priority to the better performing UDAY States.

4.7 Secretary (Power) cautioned UDAY States to improve operational efficiencies on urgent basis to achieve the UDAY targets for turnaround of DISCOMs.
Annex

List of Participants in the RPM Meeting held on 30.11.2017 at PFC conference Hall, New Delhi

- **MoP**
  1. Shri Ajay Kumar Bhalla, Secretary
  2. Ms. Shalini Prasad, Addl. Secretary
  3. Dr. A.K Verma, Joint Secretary
  4. Shri Vishal Kapoor, Director (IPDS)

- **CEA**
  1. Shri Mangal Hembram, CE (DPD)

- **REC**
  1. Dr. P V Ramesh, CMD
  2. Dr. Shakil P Ahammed, Sr. ED
  3. Shri T.S.C. Bosh, ED
  4. Shri G.S. Bhati, ED
  5. Shri FuzailAhamed, GM

- **PFC**
  1. Shri AvkashSaxena, ED
  2. Shri SubirSaha, GM
  3. Shri S. Rudra, GM, PFC
  4. Shri YogendraKhadge, PFC

- **NTPC**
  1. Shri A.K Gupta, Director (Comm)
  2. Shri P.M. Jha, GM,

- **Powergrid**
  1. Shri Rajesh Kumar, ED

- **Andhra Pradesh**
  1. Smt T. Vanaja, ED, APSPDCL
  2. Shri Rajkumar Solanki, CO, AP (Power)

- **Arunachal Pradesh**
  1. Shri Ogum Moyong, CE, Power

- **Assam**
  1. Shri Puru Gupta, MD, APDCL
  2. Shri K. C. Sharma, GM, APDCL
  3. Shri Dilip Kumar Saikia, CGM, APDCL
  4. Shri Sanjeev Goswami, GM, APDCL
  5. Shri Ashish Choudhary, APDCL

- **Bihar**
  1. Shri Sandeep Pudakalkatti, MD, NBPDCL
  2. Shri S.K.P. Singh, Director, NBPDCL
  3. Shri Akhilesh Kumar, AEE, SBPDCL
• **Chhattisgarh**
  1. Shri Ankit Anand, MD, CSPDCL

• **Gujarat**
  1. Shri Rajesh Manjhu, MD, MGVCL
  2. Shri H.M Patel, AGM
  3. Shri H.B.Dhadula, DE,PGVCL

• **Haryana**
  Shri RK Jain, CE, DHBVN
  1. Shri Anil Sharma, SE,DHBVN
  2. Shri V.K. Jain, SE, UHBVN

• **Himachal Pradesh**
  1. Shri. R.K Sharma, Director, HPSEBL

• **Jammu & Kashmir**
  1. Shri Hirdesh Kumar Singh, Commissioner cum Secretary (Energy)

• **Jharkhand**
  1. Shri Rahul Purwar, MD, JBVNL
  2. Shri Montosh Mani Singh, JBVNL

• **Karnataka**
  1. Shri R. Rajappa, DT, HESCOM
  2. Shri K. Siddaraju, DT,BESCOM
  3. Shri B T Prakash Kumar, GM(IT), BESCOM
  4. Shri B. S. Ramesh, DGM, CESC
  5. Shri K. Kunjali, Dy.Chief
  6. Shri SidramPatil, SEE, GESCOM

• **Kerala**
  1. Shri R.S.Yadav, DT, KESCO
  2. Shri Sheela N Danil, RE, KSEB

• **Madhya Pradesh**
  1. Shri Akash Tripathi, MD,MP PashchimKshetra
  2. Shri A.S. Raghuvanshi, DGM, MPPower Management Co.
  3. Shri D K Pandey, CGM, MPPKV VCL
  4. Shri Anil Kumar, MPPKV VCL,
  5. Shri S.L Karwadiya, CE, MPPKV VCL

• **Maharashtra**
  1. Shri Sanjeev Kumar, MD,MSEDCL
  2. Shri P.T. Reshme, ED,MESDCL

• **Odisha**
  1. Md. Sadiqui Alam, CEO, CESU
  2. Shri Manas Kumar Das, Director, GRIDCO
  3. Shri S.K. DandSena, OPTCL
- Punjab
  1. Shri Jasvir Singh, DGM(IT), PSPCL
  2. Shri Tej Pal Bansal, Addl.SE, PSPCL

- Rajasthan
  1. Shri K P Verma, Director, Tech, AVVN
  2. Shri V.D. Bansal, SE, JVVNL
  3. Shri T.S. Sharma, SE, JVVNL
  4. Shri Suresh Chouhan, Addl.CE, JdVVNL

- Sikkim
  1. Shri N.T.Bhutia, Secretary (Power)
  2. Shri P.T.Butia,CE(Power)

- Tamil Nadu
  1. Shri S. Shanmugam, MD, TANTRANSCO
  2. Shri P. Muthiah, JD, TANGEDCO
  3. Shri P.Rani, CE, TANGEDCO

- Telangana
  1. Shri T.Srinivas, Dir, TSSPDCL
  2. Shri M. D. Manohar Raju, CGM, TSSPDCL
  3. Shri V. Mohan Rao, CE, TSNPDCL

- Tripura
  1. Shri M. Debbarma, Dir(T), TSECL

- Uttar Pradesh
  1. Shri Raj Kumar, Director (tech), PVVNL
  2. Shri H.P. Gupta,CE, DVVNL
  3. Shri V.K.Agrawal, CE, DVVNL
  4. Shri V.Bansal, CE, PVVNL

- Uttarakhand
  1. Shri B. C. K. Mishra, MD, UPCL
  2. Shri M.K.Jain, Dir(project), UPCL

- West Bengal:
  1. Shri Rajesh Pandey, CMD, WBSEDCL
  2. Shri Surajit Chakrabarti, Res. Dir, WBSEDCL

- Department of Posts:
  1. Shri GinnoLingi, SE(E), DOP

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