

Record of discussions held during the meeting with the officials of State Designated Agencies (SDAs) and State Electricity Regulatory Commissions (SERCs) of the Western states of the country.

Venue : Hotel Crown Plaza, Ahmedabad.

Date : 8 SEPT, 2017

Time : 10:00 AM – 01:00 PM

Convener: -GEDA (Gujarat Energy Development Agency), BEE(Bureau of Energy Efficiency).

List of Official present during the discussion are as follows.

List of Members present during discussion on Adjudication and Penalty		
Sr/No	Name of Official	Designation
1	Shri.PG Thakkar	Member Technical,GERC
2	Shri Deepak LAD	Member Technical,MPSERC
3	Shri.Kanti Bhai Bhuva	Deputy Director,GERC
4	Shri.RajeshKansara	Project Executive,GEDA
5	Smt Rita Acharya	Pat Coordinator, IGEN, GIZ
6	Dr.Ashok Kumar	Energy Economist,BEE
7	Shri.Nitin Jain	Senior Project Coordinator, IGEN,GIZ
8	Shri.Piyush Sharma	Technical Expert,IGEN, GIZ
9	Shri.Ajitesh Upadhyay	Sector Expert,EESL

A meeting involving the officials of SDAs and SERCs of the Western states of the country was held on 8th SEPT, 2017 at Crown Plaza Hotel Ahmedabad, to deliberate on the role of SDAs and SERCs in the adjudication process and imposition of penalty, in case those failing to comply with Rules made under the provisions of the Energy Conservation (EC) Act, 2001.

At the outset, Shri. Rajesh Kansara, Project Executive, GEDA, welcomed the representatives from BEE, SDAs, SERCs and IGEN to the meeting and requested BEE to officially start the meeting

The meeting commenced with opening remarks by Dr. Ashok Kumar, Energy Economist, BEE, welcoming all the participants to this meeting. He highlighted the importance of enforcement machinery for the success of the PAT programme and requisite support from SERC and SDA to streamline the Process of Adjudication and penalty provision for PAT scheme and other schemes of the EC Act.

The members of the SERCs were then requested to share their views on the Adjudication process under PAT scheme. Shri Deepak LAD, Member Technical,MPSERC, talked about the uniqueness of this scheme and appreciated BEE, MoP for doing a commendable job for its implementation. He also expressed his views About RPO and REC mechanism as an integral part towards sustainable economic development.

Shri.PG Thakkar, Member Technical, GERC iterated that this scheme is a newer concept to him. He also briefly spelt out the importance of energy efficiency and its conservation, and requested BEE to create more awareness among the western states along with DCs, SDAs and the SERCs on PAT scheme and associated penalty clauses.

Smt Rita Acharya, PAT Coordinator, IGEN, presented the outline of this scheme relating it to the current scenario of climate change. She also talked about the framework under which the scheme operates, along with the current status of the scheme. She presented the outcome of PAT-I cycle which was appreciated by all the participants. She also explained the importance of the enforcement mechanism along with highlighting the roles of the various stakeholders involved in the entire process. She further requested the SERCs to share their feedback on the draft manual on penalty and adjudication developed by BEE and shared with all the SERCs.

The presentation on PAT was followed by a presentation on “Penalties and Adjudication Process”, by Dr. Ashok Kumar, wherein the participants were informed about the provisions of the EC Act, 2001 and the domains being covered by BEE to regulate the energy consumption of various sectors. He further explained the draft proceedings for the adjudication process and discussed the roles of the SERCs and SDAs. The content was nicely explained with relevant examples which made the subject clearer.

The presentation was followed by discussions intended to collect inputs from the SERCs and SDAs on the draft manual and other aspects. Smt. Acharya also shared the views of other SERCs and SDAs collected from other regional workshops, to facilitate the discussions in the meeting. The key Inputs and suggestions offered from different SERCs and SDAs during the meeting are mentioned below.

- The first observation made by the SERC representative was to invite the adjudicating officers specifically to such meetings instead of sending the invite to SERC as a whole. The reason for this was that some other official, who might not be relevant, could be sent to such meeting and hence may not be a value addition.
- The members suggested to remove Discoms from the PAT scheme and Schedule of Act because it is very difficult and complex to assess the performance of Discoms that vary from state to state.
- The members expressed that the ultimate clause of penalty proceedings which says that any penalty, if not paid, may be recovered as an arrear of land revenue, is in itself a very tedious and lengthy task. It could be related to some other practical clauses which could be easily implemented. This was explained with an example of PCB; which issues notice to discoms to disconnect supply to a particular establishment who fails to comply to the environmental norms.
- It was explained that the penalty of Rs. 10 Lakhs upfront and Rs. 10,000 per day is a very small amount and may be considered for revision.

- The members understood the role of BEE and SDA as being a humungous task, and emphasized on the need of strengthening their institutional set-up. BEE informed that there is a fund called SECF to facilitate the SDAs in developing its capacity and that the SDAs should make use of it. BEE also requested SERC to push it if possible.
- BEE also expressed that separate Energy efficiency cells could be formed within the SDAs to facilitate EE activities.
- It was discussed to lay out the quantum of penalty as per the nature of default, but was later agreed to keep it vague and let it be as per the discretion of the adjudicating officer. This will help in retaining the fear among the defaulters.
- SDA of Gujarat requested BEE to provide relevant manpower for the PAT scheme for assisting them in carrying out the activities at State Level.

The meeting concluded with the chair, Dr. Ashok Kumar, proposing the vote of thanks to all the participants. He also informed that BEE is in process of hiring an expert to study the draft rules and come out with a concrete document which shall be then discussed in a national level workshop for the SERCs and SDAs. He further added that the inputs given by the participants are of utmost importance in framing out the most robust enforcement machinery of the EC Act.