Regulators should protect and encourage Consumer participation: Desh Deepak Verma, Chairman, Uttar Pradesh Electricity Regulatory Commission
New Delhi, 11th February, 2015

CUTS International today organised a roundtable on ‘Sustainable 24X7 power to Consumers: Integral Role of Consumer Participation in Electricity Regulatory Process’. The roundtable was joined by eminent people from centre and state regulatory bodies, civil society organisations, think tanks, media and academia.

Mr. Desh Deepak Verma, Chairman, UPERC speaking at the event said the issue was extremely relevant and important for improving governance in the electricity sector. Verma emphasised on the importance of the role of regulators in protecting and encouraging consumer participation. Mr Pradeep S Mehta, Secy. General, CUTS International said the electricity Act has definitely contributed to increasing the role of consumer and consumer protection but emphasised the need for the regulator to be truly independent.

The CUTS study was presented by Ashwini K Swain and Daljit Singh and was well received by the audience. Looking into experiences of electricity regulation in Delhi, Haryana, Karnataka, Maharashtra and Rajasthan, the study found a wide variation in institutionalisation and practice of consumer participation and protection. It concluded that the provisions for consumer participation and protection, as prescribed in the Electricity Act 2003, have been adopted by the states, but more symbolically than substantively. Drawing lessons from other sector regulators, it was also argued that moving to electricity markets would only escalate the need to strengthen mechanisms for consumer participation and grievance redress.

Mr. HL Bajaj, former Chairman, Central Electricity Authority, said that the GRF should be independent, financed by the Commission and not by distribution licensee. He also recommended that the consumers should be allowed to go to the Ombudsman, giving them the right to second appeal. Mr. Baijal, former Chairman, TRAI mentioned that the challenge for the regulator is to create more channels of consumer participation rather than creating barriers. Mr. J.P. Singh, Member, Delhi Electricity Regulatory Commission said that there is currently huge element of distrust among the consumers on aspects of tariff decisions and efficiency of due-diligence. He said that we need to have an institutional system that empowers the consumers. Mr S K Chatterjee, Joint Chief (RA), CERC said that consumer protection will remain a dream in absence of competition.

Representative from the civil society (Prayas, Mumbai Grahak Panchayat, VOICE and others) also voiced their concern about the procedural complexities in seeking consumer grievance redress and the need to bring about progressive institutional changes.

The roundtable ended with congratulatory remarks on the CUTS study and the need to take it forward to the Parliamentary Standing Committee to push for necessary reforms in strengthening consumer participation.

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