

To, Date:
The Secretary,
APERC,
Singareni Bhavan,
Red Hills,
Khairatabad,
Hyderabad – 4

26 – 12 – 2003

Dear Sir,

Sub: Comments on Draft Regulations on Establishment of Forum and Ombudsman
Ref: Newspaper reports calling for comments on the proposed Regulations.

I regret the delay in sending these comments on the proposed Regulations on Establishment of Forum and Ombudsman for Redressal of Grievances of Consumers as I came to know about this very lately.

The following are our comments/suggestions on the proposed Regulations:

1. Here we would like to repeat our request for a detailed note prepared by the staff of the Commission on the need for the proposed regulations. This note should cover the context in which the new regulations are being brought in, why the new regulations are being introduced, which old regulations are being replaced as a result of the introduction of the new regulations, what new elements/points are being replaced as a result of introducing the new regulations and why, what old elements/points are going to be removed and why? This is very necessary because public are not aware of the implications of the new Regulations. As an effort towards educating the public an introductory note will help them to fathom the new initiatives.
2. Whether the new regulation replace or effect regulations on complaint handling procedures? Section 5 (10) says that the forum shall duly comply with any consumer complaint handling procedure, which the Commission may specify from time to time. But the question is in the complaint handling procedure the consumer can go up to the CMD of the Company and also approach the Commission. But according to the proposed regulations the Chairman of the Forum can be at least a SE, in which context can a consumer approach it with a complaint that involves an officer of higher level? If he or she approaches it how independent will be this Forum to handle complaints that involve higher officials of these companies. It is important to clearly specify or demarcate the areas to be covered by Form and Ombudsman on one hand and complaint handling procedures on the other. What level of complaints can be heard by the Forum/Ombudsman? Do they come after or before the complaint handling procedures?
3. At present the Licensees are utilizing the mechanism of Lok Adalats at different levels to settle disputes/grievances of the consumers. This Lok Adalats have representatives of the consumers as members of these Adalats. What will happen to these after the formation of Forums and Ombudsman? What is the relation with Lok Adalats being held regularly and these Forums?
4. According to Section 2 (h) licensee mean distribution licensee only! Why not other licensees? What about transmission licensee? What about stand alone projects?
5. According to Sec. 3 (1) every licensee shall not later than the six months from the appointed date or grant of licensee, whichever is later, establish a Forum for redressal of grievances of the consumers. Again according to Sec.2 (b) appointed date is 10th June 2003, and this is the later date as

all the licensees concerned have obtained the licensees much earlier. And the said six months period ended on 10th December 2003. And last day for comments to be sent is 20th December 2003. In other words this section is impossible to implement. Why include a point implementation of which is impossible or down right illogical?

6. According to Sec 3 (2) members of the Forum shall be serving or retired employees of the Licensee only? For neutrality they shall come from outside. Look at Lok Adalat! Lok Adalat includes consumer representative.

7. According to Sec 5 (1) the co-opted member shall not have any right to vote. With out any voting right what is the use of the membership, except being a mute spectator of the proceedings. In order to make the membership effective he/she shall also have voting right.

8. The issue of who appoints these members of the Forms is also important. In stead of the respective licensees The Commission shall appoint these members. It is also important to see that these consumer representatives come from different sections of consumers viz., industrial, commercial, domestic and agricultural.

9. Sec 3 (5) mentions that the co-opted member will hold office for three years. Duration of the tenure of the other members is not mentioned in the proposed Regulation. Sec 3 (3) only mentions that no person shall be appointed as member after he attains the age of 62 years. But the age at which he will cease to be a member is not mentioned.

10. Sec 4 deals with the removal of the members of the Forum. If a member of the Forum takes or continues to take decisions that adversely affect the Licensee, they may be removed by the Licensee! What is the protection for the consumers/complainants?

11. Usually any committee/Forum consists of odd number of members. With the inclusion of co opted member the number becomes even. We suggest that let there be two consumer representatives with voting powers.

12. Sec 5 (11) Whether these 45 days limit includes the days mentioned in the complaint handling procedures.

13. The Ombudsman shall decide [Sec 9 (4)]on the representation within 45 days of the receipt of the complaint. Three months is too long a period.

14. There should be a provision for appeal against the orders of the Ombudsman (Sec 12).

We hope that our above comments will merit the attention of the Commission in finalizing the proposed Regulations on Establishment of Forum and Ombudsman.

Kindly acknowledge the receipt of this letter.

Tanking you.

Yours sincerely,

M. Thimma Reddy
Convenor.

