



Presentation

on

Consumer Expectations, Supply Reliability And Service Delivery

Challenges

Distribution Utility Meet (DUM) 2022 Friday the 18th November, 2022

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Lighting up Lives!

Chief Executive Officer

TP WESTERN ODISHA DISTRIBUTION LIMITED
(A TATA Power & Odisha Government Joint Venture)

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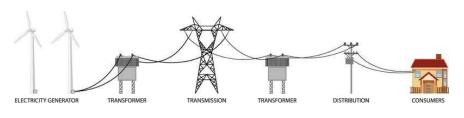


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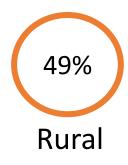
Indian Power Sector Scenario

National: Statistics

~30 Crore Connections













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Average Power Supply

Rural: 20.89 Hrs

Urban : 23.52 Hrs



AT&C Loss:

22.32%



~31% make Online Payment

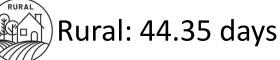


Bills generated on Actual

Meter Reading: 78%



Avg time (Days) taken for Meter replacement





Urban: 35.74 days

Journey of Power Distribution Sector Reform in India



APDRP 2003

- Strengthening of sub transmission & distribution systems
- Reducing AT&C losses.
- Increasing revenue collection & improve customer satisfaction

APDP 2001

- Central Assistance for renovation of power plants
- Fund sub-transmission & distribution network

Electricity Act 2003

- Unbundled SEBs
- Introduced power trading & Open Access
- Introduction of multi-year tariff

National Tariff

Policy 2006

- Power
 procurement
 through
 tariff-based bids
- Ensure electricity availability to consumers at competitive rates

The Electricity (Amendment) Bill 2014

- Segregated retail supply from distribution
- · Multiple supply licensees

IPDS 2014

multiple levels

sub-transmission

Metering at

Strengthen

networks

FRP 2012

- States take over 50% outstanding short-term liabilities
- DISCOMS to issue bonds backed by State Government

Saubhagya 2017

- Universal electricity access
- 24x7 power to rural and urban households

Draft Electricity (Amendment) Bill 2020

- DBT of consumer subsidy
- Encourages reduction of cross subsidies
- National Renewable Policy and stricter RPOs.
- Establishes ECEA

2001 2002 2003 2005 2006 2008 2012 2013 2014 2015 2017 2018 2020 2021

Settlement of SEB Dues 2002

 50% waiver of interest payable by SEBs to central PSUs

RGGVY 2005

- Free electricity to rural and poor households
- Capital subsidy for rural distribution backbone

R-APDRP 2008

- Aimed at reducing AT&C losses
- Enabling accurate baseline data
- IT enabled energy accounting

Model Bill 2013

- Financial restructuring to ensure adequate supply to consumers
- State Govt. to ensure sustainability of stateowned distribution licensees

24x7 Power for All 2015

- State specific power development plan
- 24x7 electricity access

DDUGJY 2015

 Improving rural electricity access

DISCOM debt

- Feeder separation
- Metering in rural areas

KUSUM 2018

- Target 10 GW of distributed grid connected solar
- Installation of 17.5L solar pumps
- Solarization of grid connected pumps

Recent Reforms

- Draft National Electricity Policy, 2021
- Draft Market Based Economic Disptach (MBED) regulation
- Draft Ancilliary Service Regulation
- ₹ 3 Trillion, Reforms-based and Results-linked, Revamped Distribution Sector Scheme

Highlights of Electricity (Rights of Consumers) Rules, 2020

- Rights and Obligations
- ✓ Reliability of supply
- Metering
- ✓ Release of new connection
- Call Centre for Consumer Services
- Grievance redressal mechanism
- Compensation Mechanism

Legend Network DISCOM Energy Access Policy Scheme

- · APDP: Accelerated Power Development Programme
- APDRP: Accelerated Power Development and Reforms Programme;
- . R-APDRP: Restructured APDRP
- · RGGVY: Rajiv Gandhi Grameen Vidyutikaran Yojana
- IPDS: Integrated Power Development Scheme
- UDAY: Ujwal DISCOM Assurance Yojana
- ADITYA: Atal Distribution System Improvement Yojana

States push DISCOMs towards efficiency improvements.

- DDUGJY: Deen Dayal Upadhyaya Gram Jyoti Yojana
 Saubhagya: Pradhan Mantri Sahaj Bijli Har Ghar Yojana
- KUSUM: PM Kisan Urja Suraksha evam Utthan Mahabhiyan
- · RPOs: Renewable Purchase Obligations

UDAY 2015

States to take over 75%

- ECEA: Electricity Contract Enforcement Authority
 FRP: Financial Restructuring of State Distribution Companies
- Model Bill: Model State Electricity Distribution Management Responsibility

Source: NITI Ayog report

Consumer Service Rating of DISCOMs (CSRD)

CSRD exercise was carried out to identify Discom performance & bring the healthy competition amongst **DISCOM to enhance consumer experience**. This is in ref with Rights of Consumers Rules, 2020.

60 **DISCOMs** in CSRD

MoP designated REC Ltd. conducted CSRD study for the 60 participating **DISCOMs**



Metering, Billing & Collections



Connections and Other Services



Fault Rectification and Grievance Redressal



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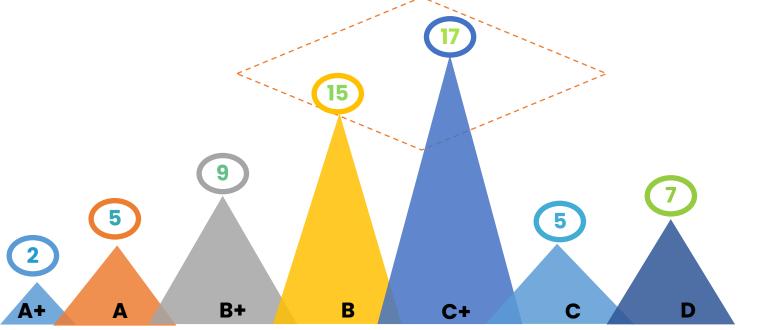
General Discom



Urban Discom



Special Category

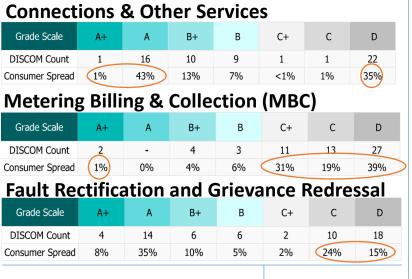


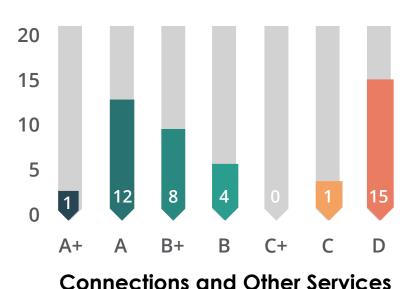
0.4 Cr Consumers of 2 Discom getting A+ Services (Both DISCOMs are under Urban Category)

2.1 Cr Consumers of 5 Discoms getting A Services (2 Nos. are under Urban Category & 3 Nos. are under **General Cat- Mainly from Southern Region)**

14.3 Cr (47%) Consumers of 32 DISCOM are getting services of B & C+ Grade.

Service Delivery in Indian Power Sector





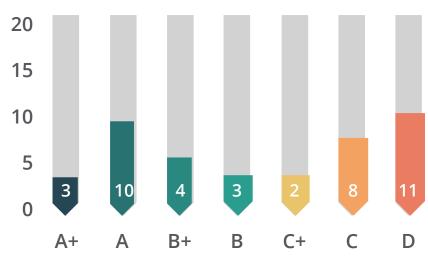


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Scope for Improvement:

- ✓ New Connection
- ✓ Metering, Billing & Collection
- ✓ Fault Rectification
- ✓ Grievance redressal





Fault Rectification & Grievance Redressal

Source: CSRD report 2020-21

Service Delivery in Indian Power Sector



Best Practices followed:

<u>Simplified Online</u> process for availing Timely New connection

Minimum Documentation for new Service Connection

Door Step Service for rural consumers

Periodic reminders or intimation on activities- MBC, Outage etc

Seamless process for Meter Reading and Billing

Timely delivery of Accurate & Actual Energy Bill

Remote meter reading

A mechanism to avoid wrong disconnection

Prompt Compliant Resolution

Option to avail pre-paid or post-paid connection

Renewable Integration, IOTs/Smart Homes



2.

Changing Needs of the Digital Customers and their Expectations.



Digital Transformation





DIGITAL TRANSFORMATION



Changing Needs of the Digital Customers & their Expectations

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Technology Has Heightened Customer Service Expectations



Customers Want To Do It Themselves & Personalized service

- App based Self
 Service e.g. Meter
 Reading
- On-Demand Meter Reading & Bills
- E-Care
- Smart Home



Our 'Always On' Culture Runs on 24/7 Service

- 24 X 7 Consumer service
- Realtime Information on Usage , outage etc.



With Ecommerce the Norm, Customers Now Expect everything Quickly

- Quick power restoration
- First Time Resolution (FTR)
- E-Bill & E-Payment



Customers Expect a Mobile-Friendly Experience

- Bill on WhatsApp
- Single Window Mobile
 App
- Consumer service on Mobile (WhatsApp, Twitter & Website)

Changing Needs of the Digital Customers & their Expectations



While Consumer, As Individuals, Have The Capacity To Quickly Learn And Adapt To New Digital Mediums, whereas Businesses need time & resource to upgrade infrastructure.



Core of transformation

Value chain

Automated back-end processes

End-to-end digitization

Are we ready?

Digital front-end processes

Digitised Customer-

experience

Integrated digital and physical experience

Customer life-cycle management

Customer experience management

Workforce productivity

Automated analytics and intelligence

Technical and organizational engagement

Technology

Data security

Connectivity

System and & architecture

Mobile interactive devices

Project culture

Organization and culture

Agility

Cross-functional cooperation

Digital talent & Digital innovation

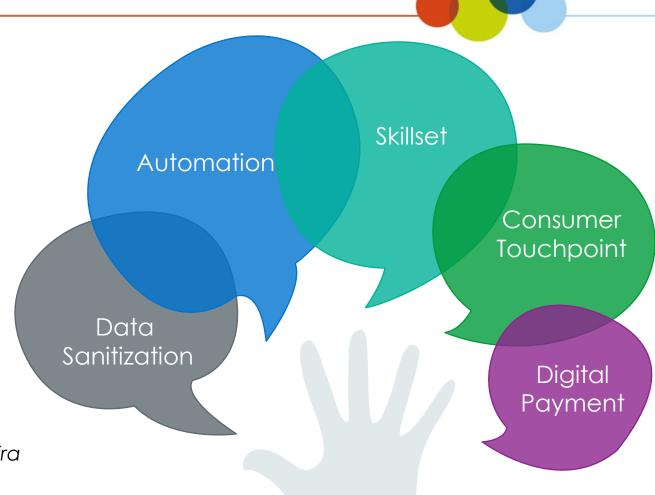


3.

Service Delivery Challenges

Service Delivery Challenges

- Data Sanitization
- Outdated & inadequate contact information
- Integrated Business Applications
- Understaffing & Low operational expenditure
- Automation –SCADA/DMS/ADMS
- Old Infrastructure & inadequate maintenance practices
- Low-cost rural automation solution
- Lack of capital fund
- Skillset
- Competency Assessment & Need based trainings
- Innovative and adoptive work culture
- Skill-enhancement of Vendor Employees
- Consumer Touchpoint
- Inadequate 24 X 7 Call center & Consumer care center Infra
- Absence of Integrated complaint management system
- Unavailability of Single window service
- Digital Payment
 - Reluctance to pay online-Trust factor
 - Last-mile Digital penetration in Rural areas-Digital Literacy & Infra
 - Legacy payment behavior



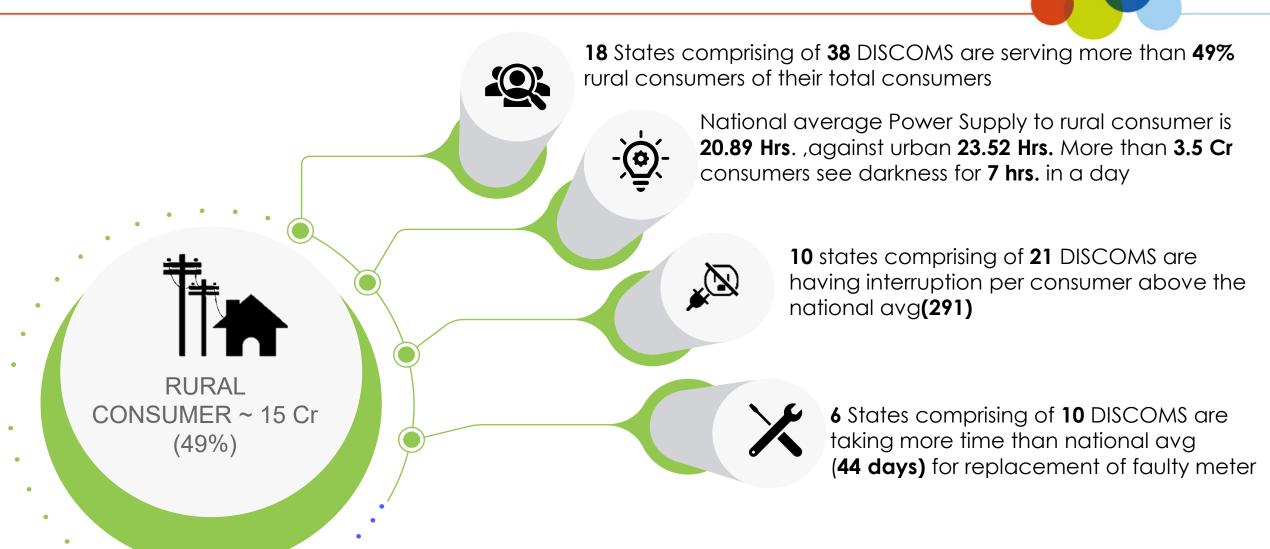


4.

Attending to Rural Customers





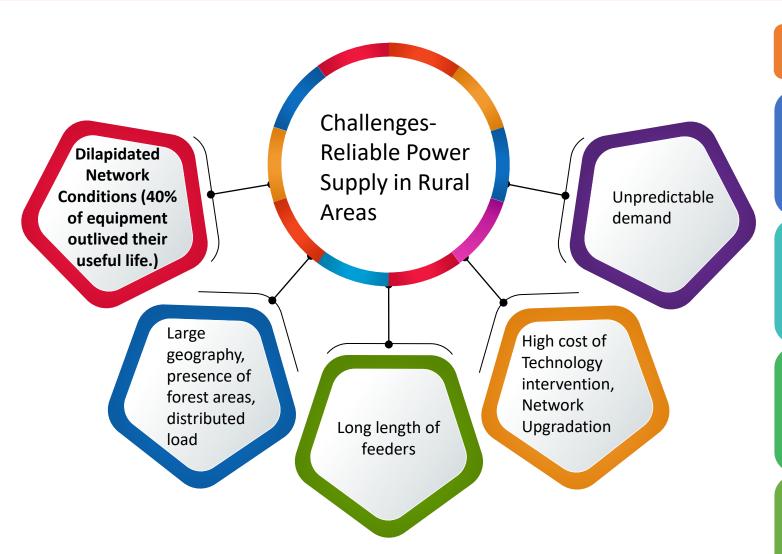




Supply Reliability & MBC in Rural Areas

Supply reliability in Rural area





Best practices to improve reliability of Power Supply

Capital infusion for Network Strengthening in Rural areas through State/ Central Govt. Schemes like RDSS, DDUGJY etc.

Phase wise replacement of assets which have already outlived their useful life.

Implementation of new Technology products like Auto reclosers, Sectionlizers, FPIs, RMUs in network to reduce time, use of drone technology for preventive maintenance.

For Quick resolution of customer complaints, Establishment of Grahak Sampark Kendra at each Panchayat.

Key factors contributing to less Metering & billing





Lack of regular update of consumer contact detail



Inadequate strength of meter reader & bill distributors



Low compensation to Meter Readers



Less use of **Technology** For meter reading



Gaps in monitoring by **DISCOM Staff**

Understaffing & Low Opex



Source: CEEW

Key factors contributing to less Collection





Inadequate or irregular income



Lack of trust on bill generated by meter readers

Inability to visit discoms counter due to long distance



Absence of Deterrence due to infrequent disconnection drives by discoms





Infrequent billing in certain locations

Waiting for FY closure or OTS



Source: CEEW



Exploring the solution for MBC



Enhancing discom's capacity for regular MBC

- Ensuring adequate staff capacity
- Engaging local community members through context specific models such as Rural Revenue Franchise (RRF) in Bihar and SHGS in Odisha

Effective monitoring system

- To monitor performance of ground staff
- Involving participation of political and administrative stakeholders
- Regular update and monitoring of the billing database

Multiple bill payment mechanisms

- Offering multiple channels for payment, including e-wallets and digital payments
- Encouraging consumers for timely digital payment through financial incentives
- Offering staggered and flexible payment options to consumers with irregular income cycle

Community engagement and awareness

 About benefits of timely payments, various payment modes available, including online payment and mobile application & Consumer services

Improved access to affordable electricity

Tariff structures for low income consumers to be determined as per NTP (National Tariff Policy)Statement on subsidy and cross-subsidy **Disclaimer:** The contents of this presentation are private & confidential. Please do not duplicate, circulate or distribute without prior permission.



Thank You!