

## **Presentation by Dr. Madhav Godbole**

***Former Home Secretary, Government of India; Former Chairman, MSEB;  
Chairman, Energy Review Committee, Government of Maharashtra***

FOCUS and Prayas need to be complimented for their effort in bringing people together to deal with the issues raised in this workshop. First point raised by Mr. Matthai is whether the institution of regulatory commission has been forced upon us. Even if it has been, then it was long overdue. It is dependent on what we do with this institution. The topic of this discussion was “*Sharing of concerns & expectations between the regulators and the civil society groups*”. It needed to be expanded to include the state governments. Unless they are included we cannot succeed. We have seen in Maharashtra that the government till date has not adopted the Order passed by the Commission. Civil society must raise it’s voice against this. Also one must question the State Government’s decision to subsidize various groups to the tune of Rs. 650 crores. The rate of tariff for agricultural use, which was fixed in 1977, which was revenue neutral has been consistently brought down over the years even though the costs have kept on increasing. Such irrational decisions need to be questioned.

Second question raised by Mr. Matthai is about the commitment to social concerns. We should respect social concerns and cross subsidization could provide a solution in this regard, but it has to be within limits.

We also need to look at PPAs more aggressively. The Commissions have to take a courageous view and use their statutory authority for the greater public good.

### ***Expectations from the ERC***

1. Transparency
2. Accountability
3. Monitorable program of action
4. Tariff hike should be the last option. Consumers have to be convinced that the commission has looked at all aspects and there is no option but tariff hike.
5. Make all orders issued by the commission “speaking orders” so that even a layman can understand the same

### ***Expectations from the Civil Society organizations***

1. They must undertake studies and make presentations to the commission which should be as objective as possible
2. They need to take a balanced approach to the whole thing rather than protest against each and every action taken by the commission
3. They have to ensure that subsidies are well targeted
4. They have to be open to bearing a reasonable burden of the tariff.

***Expectation from the State government***

1. After having created the Regulatory commissions give them a free hand and do not interfere in their working

One radical solution, which I would like to propose, is that we need to abolish the post of the energy minister in each state because we observe that The Ministers have taken over the job of the chairman of the SEB and also of the regulatory commission.

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