



Chhattisgarh State Electricity Regulatory Commission

Civil Lines, G.E. Road, Raipur – 492001

Tel: 0771-4073555, Fax-4073553

Suo Motu Petition No. 08/2007(M)

Chhattisgarh State Electricity Board, Raipur -

Respondent

Order (Passed on 19.07.2007)

The Commission in its tariff order for the year 2005-06, passed on 15/6/2005, had given a direction (Para 16 of Chapter 8) to the Chhattisgarh State Electricity Board (CSEB or the Board) that call centres should be established to register and monitor consumer complaints. The matter regarding consumer complaints not being effectively attended to was brought to the attention of the Board earlier also vide letter No. 29 dated 29/7/2004. In pursuance of the direction of the Commission, call centres were established at Raipur, Bilaspur and Durg-Bhilai to be run by private service providers. A tender was floated specifying the tasks of the call centres and the tenders of three service providers for the three cities were approved. The call centres started functioning since August, 2005. The task of these call centres included *inter alia* recording of consumer complaints regarding fuse off calls, failure of supply, commercial complaints like complaints relating to billing, functioning of meters etc., accept applications for new connections, accepting cheques against payment of energy bills and other charges, passing on the complaints to the Board's personnel for appropriate action, monitoring of their disposal on regular basis and submission of the position periodically to the concerned officers of the Board. The Commission had visited the call centre at Raipur in March, 2006 and had brought to the notice of the Board certain shortcomings in its functioning. However, the call centres of Bilaspur and Durg-Bhilai were reported to have been functioning satisfactorily. The Commission came to know from news-reports that the call centres had been closed down in end February, 2007. Since this action of the Board prima facie constituted a violation of the directions of the Commission, a case was registered under Sec. 142 of the Electricity Act, 2003 (the Act) and a notice was issued to the

Board on 23/3/2007 asking for reply within ten days. Since no reply was received to the notice even after a lapse of nearly two months, a show-cause notice was issued to the Board on 22/5/2007 proposing a penalty of Rs.50,000 under section 142 of the Act. A reply dated 18/6/2007 and subsequently dated 12/7/2007 were received explaining why the call centres had to be closed. The main reason given for closure of the call centres are that they did not function to the satisfaction of the Board and as per the mandate given to them and that they handled only FOC (fuse off call) complaints and of generally were of no use except registering the calls. Such tasks were allegedly being performed by the Board departmentally very efficiently and economically since very long. The Board has further stated that the call centre at Raipur could not establish the network connectivity of all the fuse off call centres, did not submit periodic reports about the complaints as required, did not

facilitate the database of the centre and did not convey the status of complaints to the designated officers of the Board/ Commission and the State Government etc, The Board has also stated that the Raipur call centre was expensive in as much as an expenditure of Rs.34.69 had to be incurred per complaint registered. In this call centre on an average 8500 complaints were reportedly registered in a month and the Board had to pay Rs.2,95,157/- to the service-provider as per the contract.

2. Since the reply of the Board was not found satisfactory it was asked to submit documentary evidence regarding non-compliance of terms of contract by the service provider and about the alternate system proposed to be set up by the Board along with the time schedule within which such system would be operational. The Board has submitted documents to show that the Raipur call centre was not performing satisfactorily and that the concerned officers of the Board had given repeated notices to the service-provider to improve service. The reply makes no reference of performance of call centres of Bilaspur and Durg-Bhilai. As to the alternative system, the Board made a presentation on the SAP-based customer care model to the Commission on 17/7/07. The Board's claim that they had already made necessary arrangements for receiving and monitoring consumer complaints as was done by the call centres is not borne out by certain reports in the local newspapers. These news reports as published in 'Deshbandhu' on 4/7/07 ("बिजली शिकायत केन्द्रों में हजारों मामले लंबित"), 'Nai Duniya' of the same date ("बिजली गृह की 800 शिकायते पेंडिंग"), 'Nav Bharat' of 3/7/07 ("तीन दिनों से बिजली कर्मियों का इंतजार") indicate large pendency of complaints without requisite arrangement for their disposal. The Board would have been justified to an extent in closing down the call centres if an alternate system for handling consumer complaints in a computerized monitorable format was put in place prior to their closure. The presentation made to the Commission on 17/7/07 by the Board, on its request, on the so-called customer interaction centre (CIC) is only at a conceptual stage. Initially it is to be tried out on a pilot basis and if it is successful then only will it be taken up on a wider scale. The Board wants to run these call centres through its own staff. The staff will have to be recruited, trained and more importantly sensitized to the needs of the consumer. The operating manuals will have to be prepared. No time schedule for implementation of the CIC has been indicated. On the Commission's query about the time required for implementation no firm time schedule could be indicated. The Board has stated that without necessary consumer database, including consumer indexing and the customer care software, these centres would not be in a position to handle technical and commercial complaints. Neither the database is ready nor is the software.

3. The Commission has noted that while there were shortcomings in the functioning of the call centre at Raipur, there was no such complaint in Bilaspur and Durg-Bhilai. The Board has also not given any reason why along

with Raipur call centre, the other two call centres were also closed down. The Board could not explain as to why the tenure of contract of Raipur call centre was extended when it was not functioning to satisfaction of the Board. Thus the action of the Board is clearly against the interest of the consumers. The Commission has noted with consternation that the Board has been callous about the consumer facilities and has displayed little sensitivity about their needs. The Board has failed to implement even a single directive regarding consumer care and has not implemented the standards

of performance prescribed by the Commission. In the above ground, the closure of the call centre is a retrograde step in cynical disregard of consumers' interest. The Commission feels that it is all the more serious because the facilities created were closed down without any alternative arrangement. The alternative arrangement now proposed, after five months of closure of the call centres, is nowhere in sight and is still at a conceptual stage.

4. The Commission therefore comes to the conclusion that the action of the Board is in violation of the directive of the Commission and in utter disregard of the interest of the consumers and hence should invite penalty under section 142 of the Act. As already mentioned the reply of the Board to the show-cause is not found satisfactory. The Commission would also like to mention here that so far we had refrained from imposing any penalty under section 142 of the Act, inspite of the Board's non-compliance of directions, taking a lenient view. But we are constrained to consider penalty in this case in view of the total disregard of consumers' interest. Enforcing standards of service by a utility is one of the major responsibilities assigned to this Commission. We, therefore, impose a penalty of Rs.25,000/- (Twenty five thousand) on the Board under section 142 of the Act. We also direct the Board to put in place necessary computerized system to receive technical, commercial and other kinds of complaints of consumers, monitor their disposal, generate reports for supervisory officers on disposal of complaints and also provide other services like receiving applications for new connections, receiving payment of electricity bills by cheque etc. Such call centres have been set up by most electricity utilities in the country and are functioning satisfactorily even in neighbouring Madhya Pradesh.

This may be conveyed to the Board for compliance within a week.

Sd/-
Member

Sd/-
Chairman

True Copy

(N.K.Rupwani)
Secretary