



CHAPTER III

MONITORING AND EVALUATION

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Monitoring

3.1 Clauses 1.2 (f) and 1.2 (g) of UDAY MoU mandated that GoK should endeavour to ensure that all operational targets enumerated in the MoU are achieved and a review of KSEBL's performance should be done on monthly basis at the State Government level in the presence of State Finance representative.

Ineffective monitoring by State Government

3.1.1 The Monitoring Committee of UDAY (UDAY-MC) headed by Secretary (Power), GoI periodically reviewed the progress made by States/Union Territories in implementation of UDAY. At the persistence of UDAY-MC, GoK constituted (September 2017) a State Level Monitoring Committee (SLMC), with Additional Chief Secretary in the Department of Power as Chairperson and eight other members for developing monitoring framework under the Scheme. Audit, however, observed that the SLMC did not have a representative from State Finance Department though UDAY MoU mandated such a condition. The first meeting of SLMC was scheduled in December 2017 but details regarding meetings held and minutes thereof were not made available to Audit.

GoK stated (February 2022) that special efforts are being taken for effective monitoring of Centrally Sponsored Schemes and projects.

It is, however, pertinent to note that KSEBL did not achieve the targets on implementation of ERP and smart metering systems, RPOs and ACS-ARR gap elimination, as discussed in the preceding Chapter.

Not fixing responsibility

3.1.2 In UDAY MoU [Clause 1.3(h)(ii)], KSEBL had agreed to devise Key Performance Indicators (KPIs) for each officer in-charge on areas of AT & C loss reduction and improvement in metering/billing/collection efficiency and monitor and incentivise/penalise the officer in-charge for his/her performance in achieving KPIs.

KSEBL devised KPIs on the following areas of customer service and quality of service but did not specify benchmarks for measurement and assessment of KPIs. **Table 6** shows the achievement of KSEBL on KPIs it had devised.

Table 6: Achievement on KPIs during pre-UDAY and post-UDAY periods

KPI	Achievement
Customer complaint redressal	Resolution of customer complaints improved from 94.49 <i>per cent</i> in 2017 to 97.20 <i>per cent</i> in 2021
Effecting new service connections	Percentage of new service connections by KSEBL improved from 92.03 in 2017 to 98.05 in 2021
Implementing e-payment service	Use of electronic means for receiving payments increased from 6.31 <i>per cent</i> in 2017 to 54.70 <i>per cent</i> in 2021
Enhancing safety with zero fatality	Reduction in number of accidents was stable, at 41.63 <i>per cent</i> in 2017 and 41.77 <i>per cent</i> in 2021
System Average Interruption Frequency Index (SAIFI)	Average power interruptions experienced by consumers in a year increased from 7.51 times in 2017 to 12.27 times in 2021
System Average Interruption Duration Index (SAIDI)	Average duration of power interruptions experienced by consumers in a year increased from 61.77 hours in 2017 to 63.18 hours during 2021.

(Source: Information provided by KSEBL)

As could be seen from the above **Table**, KSEBL improved its performance in areas of customer complaint redressal, effecting new service connections and implementing e-payment service. It, however, did not fare well in reducing power interruptions in the distribution system.

Audit observed that KSEBL assessed the performance of its various offices/units on the basis of year-on-year achievement of the above-stated KPIs. However, as benchmarks for KPIs were not fixed, the performance of offices and officers was not assessable for incentivising/penalising them as envisaged in UDAY MoU.

GoK stated (February 2022) that supply interruptions due to falling of trees/branches during rains/winds had resulted in low SAIFI values. It expected to improve SAIFI and SAIDI values by drawing covered cables, underground cables and Aerial Bunched Cables as part of the next multi-year plan and the Revamped Distribution Sector Scheme.

The reply is, however, silent on the need for fixing benchmarks for monitoring performance through KPIs and on devising KPIs for reducing AT & C loss.

3.1.3 Clause 1.3(e)(ii) of UDAY MoU required that KSEBL shall prepare loss reduction targets at Division/Circle/Zonal level and make officers concerned responsible for achieving the loss reduction targets. Moreover, Division-wise targets have been specified in the MoU itself (Annexure A to MoU).

KSEBL did not devise any action plan to implement the same but stated (April 2021) that the calculation of Division-wise AT & C loss was not feasible as ring fencing of Electrical Divisions was incomplete and data acquisition modules were still under development. As AT & C losses were not calculated Division-wise, fixing responsibility on the officials at Division level was not possible. The reply of KSEBL is not tenable for the reason that as per MoU, they need to fix loss reduction targets for Division/Circle/Zonal level. Also, no KPIs have been devised for the officer in charge enabling to fix responsibility in case of shortfall. This indicated lack of concerted action to minimise AT & C loss.

GoK replied (February 2022) that it plans to install additional border meters to facilitate Division-wise loss calculation under the Revamped Distribution Sector Scheme announced by MoP.

Incomplete indexing and mapping of consumers

3.1.4 Geographic Information System (GIS)-based asset mapping and consumer indexing identifies and registers the electrical connectivity and geographical position of every electrical asset and identifies all consumer connections within the power distribution network. UDAY required DISCOMs to achieve consumer indexing and GIS mapping by 30 September 2018.

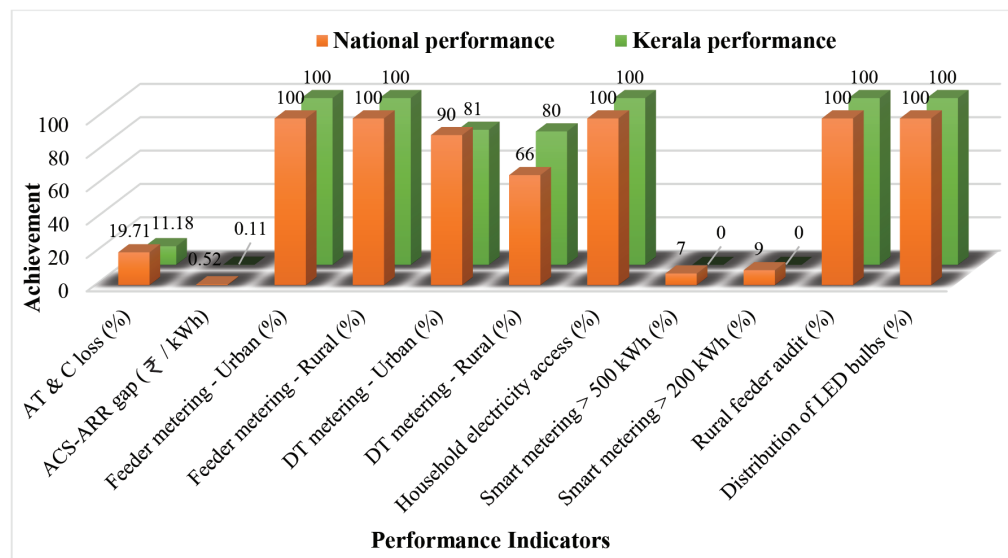
Information provided by KSEBL indicated that it completed pole-level consumer indexing and GIS mapping in geographical areas within 252 (out of 776) Electrical Sections till March 2021 under R-APDRP and IPDS. KSEBL completed mapping of 32.47 per cent consumers in R-APDRP towns while the mapping of consumers in rural areas was yet to commence.

Evaluation

Achievement vis-à-vis national indicators

3.2 The national dashboard in UDAY portal showed (as on 31 March 2021) that Kerala was ranked fourth³⁸ among 32 States/Union Territories while KSEBL occupied the 15th place among 48 DISCOMs/utilities in terms of the progress/performance in achieving UDAY parameters. Though billing efficiency and energy sale of KSEBL improved in 2020-21, there were slippages in overall AT & C loss and ACS-ARR gap over the previous years. The performance of KSEBL vis-à-vis national barometer as at the end of financial year 2020-21 is shown in **Chart 4**.

Chart 4: Performance of KSEBL as on 31 March 2021



(Source: www.uday.gov.in, accessed on 31 July 2021)

³⁸ The top three positions were occupied by Gujarat, Karnataka and Andhra Pradesh on the basis of marks awarded by MoP for progress made in respect of 14 key indicators.

KSEBL surpassed/equalled the national barometer in reduction of overall AT & C loss, implementation of DT metering in rural area, feeder metering, electricity access to unconnected households, rural feeder audit and distribution of LED bulbs under DELP. Based on its performance on key financial and operational parameters, MoP assigned³⁹ (July 2021) 'B+' rating to KSEBL, signifying moderate financial and operational performance capability with room for further improvement.

Conclusion

The monitoring of performance of KSEBL lacked effectiveness as there were no regular meetings of SLMC to assess the progress made in implementing various projects/programmes. KSEBL did not devise KPIs for AT & C loss reduction and fix any benchmark for existing KPIs. There was scope for improving the performance by taking steps for elimination of ACS-ARR gap and implementation of smart metering and energy conservation programmes.

Recommendation

GoK may periodically monitor the progress of major projects/works undertaken by KSEBL under various Government schemes/programmes.

³⁹ DISCOMs with a score between 50 and 65 were rated 'B+' based on their current level of performance and relative improvement on operational and reform parameters (43 *per cent* weightage), financial parameters (42 *per cent* weightage) and external parameters (15 *per cent* weightage).