



TNEB Ltd., TANGEDCO TANTRANSKO

Chairman's New Year Message . . .

Chennai – 2
2.1.2012

I am very happy to meet you through this New Year Message.

The cyclonic storm “THANE” on 30.12.2011 has caused havoc to the electricity distribution networks in Cuddalore & Villupuram district. Power supply restoration works particularly in Cuddalore district requires thousands of poles, transformers etc. A number of Teams from TANTRANSKO & TANGEDCO are already doing dedicated job in this field. However, more number of staff are absolutely required to complete this mammoth task within the shortest period. Hence earnestly I appeal for volunteers from Engineers & RWE staff category particularly who have worked in Cuddalore Electricity Distribution Circle earlier to come forward to join the teams already working and also to be formed for the restoration of power supply in Cuddalore district in toto at the earliest.

We enter the year 2012 with the confidence of reducing the demand-supply gap of power through capacity addition of new thermal power projects at Vallur, Mettur & North Chennai. However, we have to keep on formulating our long term strategic plans on capacity addition without any let up. Our focus should not be only on the enhancement of power generation but also on meticulous planning in the upgradation of transmission network & distribution system which is the need of the hour, to meet the ever growing demand, at 8 to 10% per year.

During the summer season, the gap between demand and supply will still be increasing because of higher industrial and residential consumption. We may have difficulty in bridging the gap since the commissioning of some of the Central generating stations at Kudankulam and NLC as well as TNEB's new power projects are getting delayed because of factors beyond our control.

Ensuring quality & uninterrupted power supply constitutes a major part of Energy security, which has a major impact on the economic and industrial growth of Tamil Nadu. Also, the 'Energy Basket' of Tamil Nadu should contain all forms of energy (viz) Hydel, Thermal, Nuclear, Wind, Solar, Bio-mass etc.

You all know that the financial situation of our organisation is in a very critical condition. At present the dues pending to be settled to the power purchases, suppliers/contractors are mounting and the accumulated losses are over Rs.50,000 crores. However, I am confident that the ensuing tariff revision which will come into force in a few months will make sustainable improvement to our financial position. Till such time, we are forced to manage the present crisis of deteriorating cash flow situation.

We are preparing a comprehensive financial restructuring plan to be submitted to Government of Tamil Nadu and Government of India as required by the High Level Committee set by Govt. of India

to improve the financial position in power sector utilities. We also have the full support of the Government of Tamil Nadu in this endeavour which has also released the grants and dues under various heads and also has plans for such releases in future also.

We are also working to improve the 'Service delivery standards' which have been published recently based on TNERC's standards of performance. In a nutshell, it defines higher levels of result orientation as the expectation from the public is of very high order and we have to pay compensation/penalty if we fail to meet the service standards.

All the employees should have the responsibility to maintain the reputation and pride of the organisation by rendering dedicated service to the public, which will boost the image of the organisation at all levels. I expect a sense of belongingness to the organisation from each one of you, as it is the main virtue from which other values (viz) sincerity, honesty, hardwork, dedication etc; will sprout out. By imbibing this value system, you can contribute a lot to your organisation to achieve its goal.

The Section Officer in O & M office is the main interface between TNEB Ltd & General public, and so expect a fine tuning of the soft skills particularly in the communication area between the staff and customers. At this juncture, hard work and dedication from all the employees, particularly at the field level, who are the cutting edge, are very much needed to make our organization both technically and financially sound. As there is a shortage of manpower in the field level, a restructuring plan is under process to manage and fill up the vacancies.

Consequent to restructuring of TNEB into Corporate entities viz. TNEB Ltd., TANGEDCO and TANTRANSCO, the erstwhile TNEB supported financially by the Government should now function as business entities as well as service organizations with very high service standards. Due to the massive efforts being taken consequently to the restructuring of the TNEB, we will be able to definitely get back to the original position both in terms of power position as well as financial position after clearing all the dues, loans etc. Filing of comprehensive tariff revision petition after a long gap of 10 years to bridge the huge gap between average cost of supply and rate of realization is a major step towards financial restructuring plan.

Suggestions are invited from all the employees of the Board as well as public to improve the power position and revenue augmentation. We would like to introduce suitable incentive schemes and rewards as in the case of Value creators, at various offices and at field levels. Innovative suggestions and ideas for improving our billing and collection efficiency and prevention of theft of energy by using various methods are invited to utilize the existing man power effectively so as to minimize hardships to the public.

I wish you all happy and prosperous New Year 2012 and a very happy Pongal 2012.

Rajeev Ranjan
CMD / TANGEDCO & TNEB Ltd.,
Chairman / TANTRANSCO