



JAPANESE CHAMBER OF COMMERCE & INDUSTRY, CHENNAI

*3rd Floor, 3F, Anmol Palani No.88, G.N. Chetty Road,
T Nagar, Chennai*

Proposals of the Electric Power Committee (JCCIC)

We sincerely appreciate Government of Tamil Nadu for extending its support to the activities of JCCIC and for kindly giving us this opportunity to exchange opinion on several issues concerning the Japanese companies in Tamil Nadu.

All members of the Electric Power Committee have been intensively engaged in discussing issues related to the shortage of electric power supply and its adverse effects on the operation and production of Japanese companies in Chennai and its suburbs. The Committee sought better solutions to improve production and business plans under the tough situation caused by the power supply in Tamil Nadu. In this regard, we organized the following activities in 2013:

- (1) Regular meetings of the Electric Power Committee, JCCIC were held to discuss and exchange up-dated information of the Power situation in Tamil Nadu and the related problems faced by the Japanese companies.
- (2) A Seminar on “Policy & Plan of Electricity in Tamil Nadu” by TNEB/TANTRANSO was organized jointly with JETRO
- (3) Interview/Questionnaire/Monitoring related to the power supply situation was carried out among the JCCIC members

We are pleased to submit herewith the following proposals for Electric Power issues in Tamil Nadu, sharing our investigation report as shown in the attached Presentation material. We would highly appreciate if you could kindly consider these proposals within the Government of Tamil Nadu and provide us periodical feedback as indicated in the “Follow up Sheet” prepared by JCCIC.

- (1) Periodical Disclosure of Power Plant Expansion plans and progress of construction.

Thanks to the good monsoon in the 1st half of FY2013, Power Holiday and Power Restriction during peak hours seem to be reduced and Power Outages are relatively improving. However, there is still the unnecessary work load of Diesel Generator, delivery delays from suppliers, product defects caused by sudden and unforeseen Power Outages.

The problem of Power supply shortage is one of decisive factor influencing



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management decisions related to new investments and /or further expansions in Tamil Nadu. As long as this critical situation is not improved, we are concerned that Japanese companies may move to other States in India.

In order to make precise business decisions and expansion plans, we would like Government of Tamil Nadu to disclose the power plant expansion plans and its progress on a quarterly basis with JCCIC. It is our hope that Government of Tamil Nadu could share information on the exact relevant situation as much as possible. JCCIC would also be pleased to share information with potential Japanese investors to India.

(2) Target to achieve “Zero unscheduled power cuts”

Usually, Power Holidays and Power Restriction during peak hours are announced in advance by TNEB periodically in each region of Tamil Nadu. However, very often unexpected power cuts and changes in power restriction are executed without any prior notice. Such situation causes lot of Product Defects in pre-planned operation with power supply, in addition to unnecessary work load on Diesel Generator, causing extra expense thus affecting cost of production and significant burden on the management of Japanese companies.

We kindly request Government of Tamil Nadu to target, what is called **“Zero unscheduled power cuts.”** If unscheduled power cuts cannot be avoided due to some reason, we request the Government to develop some mechanism to inform the consumers at least 8 hours in advance, before implementing unscheduled power cut.