“SUCCESS OF RURAL ELECTRIFICATION PROGRAM IN BANGLADESH”

Case study: Comilla Rural Electric Society-2
(Comilla Palli Bidyut Samity-2)

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8. Garrison Engineer/Asst Garrison Engineer/Staff Officer (works/design) - Military Engineer Services.

9. Engineer- 4 star hotel project.


11. Attended:
   b. Training on Organization Management in USA & TQM in Japan.
   c. Conference in India on Rural electrification in April ’ 05.
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RURAL ELECTRIFICATION IN BANGLADESH
HOW IT STARTED?

a. Bangladesh was one of the least developed country couple of years ago. Today it gradually turned into a developing country.

b. Provision of electricity is constitutional right of people of Bangladesh. The Government has obligation to provide electricity to its masses. It is being executed in phases.

c. In Bangladesh of all the developing projects, “Rural electrification through consumer cooperatives” is the most successful project. This has really aided in the development of the country.

d. After independence of Bangladesh on Dec 16' 1971, the Government tried its best to find out ways and means of providing electricity to its masses. At that time, electricity distribution was responsibility of state run organization PDB (Power Development Board).

e. After long research, it was identified that People can be provided electricity through establishment of "Palli Bidyut Samities (PBS) or Rural Electric Societies" (RES), i.e. by providing electricity to its public through consumer cooperatives.

f. The Government formed Rural Electrification Board (REB) for this purpose.

g. REB helped in formation of "Palli Bidyut Samities" (PBS).

h. The Rural Electrification (RE) program and the is a success story of QM (Quality Management).

WHAT IS RE PROGRAMME?

a. Its Rural Electrification program to "provide electricity to rural areas at lowest possible cost and on sound financial basis“.

b. To provide electricity on “ No-loss-no-profit “ basis.

c. To utilize electricity for socio-economic development of the masses.
CAUSES OF SUCCESS OF RE PROGRAM.

It is achieved through “Consumer Service” & “Performance Target achievements”

CONSUMER SERVICE

a. Consumer service gets top most priority. They are the main source of income. They are considered as “Good luck” for the organization. There is "One Point Service" for the valued consumers in PBS.

b. Previously In PDB (State owned Electricity distribution organization) Consumer was required to go from "Table-to-table" to get the job done.

c. In PBS, ONE POINT SERVICE (OPS), The consumer needs to come to PBS office, reach the "One Point Service", fills up the Prescribed form where he only fills up (tick mark mostly) his problem and submit to OPS staff with date & time mentioned. The Consumer waits, but the OPS man sends the “form” from table-to-table and gets the answer. He then gives it to the consumer.

PERFORMANCE TARGET AGREEMENT (PTA).

a. Every fiscal year, Performance Target Agreement (PTA) is executed between REB and each PBS. The Targets are finalized on practical considerations and after discussion between both the parties.

b. Reward & Penalty is ensured for success and failure to achieve PTA. As a result competition is developed among the cooperatives. The Targets are:

1. System loss (Lower the better).
2. Account receivable (Lower the better).
3. Accounts Payable (Lower the better).
4. Debt Service Coverage (Higher the better).
5. Plant Revenue Ratio (Lower the better).
6. Equity Status (Higher the better).
7. Recovery of Amounts Written off (Higher the better).
8. Payment of Debt Service Liability (Higher the better).
9. Annual Load Factor (Higher the better).
10. Revenue per Km of Line (Higher the better).
11. Total cost of providing electricity per Km of line (Lower the better).
12. Percentage of billing each month (Higher the better).
13. Annual growth in consumers (Higher the better).
14. Annual growth in KWH/MWH sold (Higher the better).
15. Ratio of service in place & consumer connected (Higher the better).
16. Ratio of connected & staked consumers (Higher the better).
17. Inspection of distribution lines in Km (Higher the better).
18. Maintenance of distribution lines in Km (Higher the better).
19. Preventive maintenance of transformers & OCRs (Higher the better).
20. Repairable transformers & OCRs in waiting (Lower the better).
21. Consumer outrage hours (Lower the better).
22. Ratio of disconnected (over 90 days) & disconnect able (over 90 days) except Irrigation consumers (Higher the better).

OTHER CAUSES OF SUCCESS OF RE PROGRAM

1. DEDICATION TO THE PROGRAMME. Management is taught to take it as a job cum service to the rural masses.

2. MOTIVATION. From CEO to field staff all have to go to field & do motivation meetings. In case of energization of any new village, formal motivation meetings are held.

3. VILLAGE ADVISORS. One village advisor is selected from every energized village. They are given regular training. Exchange of views takes place in meetings. News bulletin are given to them. They act as a bridge between Consumers and the PBS.

4. HIRE & FIRE. At times, management follows “Hire-& Fire” process. REB/RES (PBS) is a performance-oriented organization. Only Efficient and dedicated people can continue in a PBS.

5. REB/PBS is the only organization where every instruction is in writing in Series viz.

   a. 100 – series – Engineering

   b. 200 - series – Finance

   c. 300 - series - Management / administration

6. DELEGATION OF AUTHORITY. Power & authority is delegated to DGMs and AGMs.

   DGM act as GM in a smaller jurisdiction within GM’s area.

   AGMs are Departmental Head of respective department.
7. **JOB DESCRIPTION.** The job description from CEO to the lowest staff is in writing.

**CONSUMERS’ PARTICIPATION IN PBS ACTIVITIES**

- **CONSUMER**
- **BOARD DIRECTOR**
- **PBS**
- **CONSUMER**
- **VILLAGE ADVISOR**
- **VILLAGE ELECTRICIAN**
- **CONSUMER**
CONSUMERS’ PARTICIPATION IN PBS ACTIVITIES

1. The PBS area is divided into areas called Elakas (areas).
2. Maximum 15. Board of Directors are selected, one from each elaka.
3. The candidates for Director should not be office bearer of any Political Party.
4. The Directors are selected through democratic process.
5. Secret ballot/Voting is arranged among the Consumers.
6. Annual General Meeting (AGM) is held each year and consumers participate in AGM.
7. Financial Balance sheet and Accounts are approved in the AGM.
8. After AGM, the Board of Directors selects Executive Committee.
9. Members of executive committee.
   a. President
   b. Vice President
   c. Secretary
   d. Treasurer
10. Maximum 3 Lady advisors are selected from the area of jurisdiction of PBS.
REB-PBS STATISTICS
Up to June 30' 2005

1. Total no of PBS under RE programme - 70 no
2. Total Km of electric lines - 188,024 Km
3. Villages electrified - 44,224 no
4. Total consumers - 6,129,817 no
5. System Loss - 15 %
6. Bill collection - 98%
7. Total receivable - 1.85 months
8. Consumers Billed - 100%

STATISTICS ON COMILLA PBS-2 IN GRAPH

Statistics on Comilla PBS-2 in graph is given below.

a. Cumulative consumer growth &
b. Consumer growth year wise
c. System loss
d. Load growth
Consumer growth in Comilla RES-2 (PBS-2) created a record in history of RE programme in all over the world (among approx. 1100 Co-operatives).
CONCLUSION

1. RE program is a vast subject.

2. This is just a brief report on the program.

3. In Bangladesh the RE program is a real success story of Development, Service and Efficient management.

4. The main credit goes to continuous improvement and dedication.

5. It’s a success story of long 26 years of dedication and service to community.