

Before the

MAHARASHTRA ELECTRICITY REGULATORY COMMISSION

World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai – 400 005

Tel. 22163964/ 65/ 69 Fax 22163976

Email: mercindia@mercindia.org.in

Website: www.mercindia.org.in

Case No. 50 of 2009

In the matter of

Petition filed by Tata Power Company Ltd - Distribution (TPC-D) seeking approval of operating procedures for supplying power to consumers in the common area of license of Reliance Infrastructure Ltd. – Distribution (RInfra-D), using each other's existing distribution network

Shri V.P. Raja, Chairman
Shri S.B. Kulkarni, Member
Shri V.L. Sonavane, Member

The Tata Power Co. Ltd (Distribution)
Bombay House
24, Homi Modi Street
Fort, Mumbai 400001

.....Petitioner

Reliance Infrastructure Ltd (Distribution)
Reliance Energy Centre
Santa Cruz (E), Mumbai 4000055

.....Respondent

ORDER

Dated: October 15, 2009

The TPC-D., filed a petition under affidavit on 31st August, 2009, under Regulation 21 of MERC (Distribution Open Access) Regulations, 2005, Section 86(1) (a) and 86(1) (f) of the Electricity Act (EA), 2003. It is averred therein that RInfra-D's area of supply also forms part of TPC-D's area of supply, and both



have common areas to the extent of RInfra-D's area of supply. TPC-D states that it will be able to supply power to those existing consumers of RInfra-D who wish to receive power from the TPC-D. For effecting supply, the TPC-D would use the existing distribution system of RInfra-D. However, this requires formulation of detailed operating procedures pertaining to (i) installation of meters, meter reading and billing; (ii) collection and apportionment; (iii) transfer of wheeling charges; (iv) change-over procedure; (v) disconnection, reconnection and recovery of consumer dues; (vi) accounting of energy; (vii) customer services; (viii) theft and inspection of premises; (ix) reverting of consumers to original distribution licensee; (x) service charges / income from business; (xi) dispute redressal. TPC-D has submitted a petition on each of these aspects as also the counter proposal of RInfra-D as submitted by RInfra-D to TPC-D. The prayers made by TPC-D are as follows:-

“(i) Allow the protocol set out in paragraph 17 above to be followed by the distribution licensees while dealing with Changeover Consumers with such modifications as the Commission may deem necessary;

(ii) Allow-in principle the Petitioner to recover a service charge per unit of electricity supplied to the consumers through open access to the system of another distribution licensee; and fix an actual service charge after considering the material and submissions placed by the Petitioner;

(iii) Pass such other and further orders / directions as the Hon'ble Commission may deem appropriate in the facts and circumstances of the case.”

2. TPC-D states that though it had entered into discussions with RInfra-D to work out a protocol to ensure smooth change over of consumers and supply of power through open access arrangements between both of them, the talks have failed as RInfra-D has insisted that the meters that are installed at the premises of its existing consumers would not only continue to belong to RInfra-D but also the meter reading shall be done by it as provided in the Maharashtra Electricity Regulatory Commission (Distribution Open Access) Regulations, 2005 (“the DOA Regulations”).



3. Per contra, TPC-D is of the view that the DOA Regulations are strictly not applicable to the scheme of supply of power to existing consumers of RInfra-D who wish to receive power from TPC-D, for which TPC-D would use the existing distribution system of RInfra-D. This, in the view of TPC-D, is because the DOA Regulations do not contemplate a situation where there are more than one distribution licensee in the same area and where a distribution licensee supplies power to its own consumers using open access to the wires system of another distribution licensee. In fact, RInfra-D has written a letter dated 18.8.2009 to the Commission seeking clarification on the applicability of the DOA regulations. TPC-D has provided various reasons as to why the meters should be installed by TPC-D for recording of supply and billing of change over consumers, better monitoring, IT compatibility, and a host of other operational issues.
4. An application for interim orders has also been submitted by TPC-D on August 31, 2008, submitting therein that many consumers have informed TPC-D that they have decided to arrange for their own meters to avail supply from TPC-D in view of RInfra-D's refusal to allow installation of meters by TPC-D. TPC-D can therefore commence supply of electricity to some change over consumers on an interim basis where consumers shall buy and own their own meters and where the operational procedures as proposed by TPC-D in its main petition would be followed. This, as stated, would be without prejudice to the outcome of the main petition. The prayers made in the application for interim orders are:
 - “(i) To allow the Petitioner to supply electricity to the Changeover Consumers in the various select areas indicated in Annexure – A/1b to this application who have agreed to purchase / provide their own meters, by adopting the operational procedure / protocol set out in paragraph 17 of the main petition;*
 - (ii) pass such other and further orders / directions as the Hon'ble Commission may deem appropriate in the facts and circumstances of the case”.*
5. In the meanwhile, a large number of consumers approached the Commission as well as RInfra-D and TPC-D for changeover from RInfra-D to TPC-D. The Commission,



therefore, considers that it is critical at this stage to evolve a mechanism expeditiously for facilitating changeover by the consumer from existing distribution licensee to another distribution licensee.

6. A hearing in the matter was held on September 30, 2009. Both TPC-D and RInfra-D, while stating that these are not adversarial proceedings, made their respective submissions on the proposed procedures to be adopted while supplying power to consumers in their common area of license using each other's existing distribution network. Various suggestions and concerns were also submitted by other attendees (hereinafter referred to as 'consumers') at the hearing representing organizations/consumers etc. in the common area of license and the consumer representatives authorized by the Commission.
7. After hearing all the views of TPC-D and RInfra-D in respect of the roles and obligations and procedures pertaining to changeover, the Commission directed TPC-D and RInfra-D to further discuss the procedure/protocol of changeover, and submit the same for the scheduled next hearing for October 08, 2009.
8. In the hearing held on October 08, 2009, TPC-D and RInfra-D submitted their proposed interim arrangement for effecting changeover of consumers. Suggestions and views were also submitted by CRISIL Infrastructure Advisory, which has been appointed by the Commission for consultancy assistance in this matter, and other attendees/consumers present at the hearing. The names of those present during the two hearings are given in Appendix 2.
9. The following points for formulating interim arrangement/procedure of changeover; were raised.
 - i. All consumers desired to exercise changeover from one distribution licensee to another distribution licensee and the rules / procedures for effecting changeover to be formulated at the earliest.
 - ii. The procedure for changeover to be simple and with minimum formalities and requirements.



- iii. The consumers suggested that information regarding the changeover application process and specifications of meters should be easily available to them.
- iv. The consumers should have choice to either opt for the meter provided by RInfra-D or TPC-D or purchase it themselves from any accredited third party.
- v. The consumers suggested that the reading of meters, billing as well as disconnection (if any) should be carried out by the Supply Distribution Licensee i.e. distribution licensee who supplies electricity to the consumer using distribution network of the other distribution licensee in the area, where consumer premises are located.
- vi. The consumers also desired that there should be a reasonable period after changeover for which the consumer would be liable for payment of past dues / liabilities to RInfra-D, which get crystallized subsequent to changeover.
- vii. The consumers mentioned that they may not be insisted upon any NOC (No Objection Certificate) from RInfra-D for changeover. These consumers were also not in favor of providing any undertaking confirming their obligation in respect of past dues at the time of changeover. However, Mumbai International Airport Limited (MIAL), showed willingness to provide such an undertaking to proceed expeditiously with the changeover.
- viii. The consumers were also not in favour of disconnection by RInfra-D under intimation to TPC-D for any non/partial payments of final bill and past dues, which are crystallized post changeover.
- ix. The consumers also suggested that security deposit, currently held with RInfra-D, may be directly transferred to TPC-D.
- x. The consumers desired a single point of contact for communication and complaint redressal, which should be the Supply distribution Licensee.
- xi. The consumers suggested that any action, if any, for theft / unauthorized use to be initiated by the Supply Distribution Licensee only.
- xii. The consumers also suggested that, to avoid double payment of wheeling charges, wheeling charges for TPC-D should be reduced from the bundled tariff of TPC-D



- before adding RInfra-D wheeling charges for consumers who change over from RInfra-D to TPC-D.
- xiii. The consumers also contested the appropriateness of payment of wheeling charges to RInfra-D by changed over consumers.
 - xiv. The consumers/stakeholders submitted that in accordance with the provisions of the EA 2003, competition in the context of parallel distribution licensees, needs to be promoted by fixing ceiling tariffs for retail sale of electricity.
 - xv. The consumers also suggested that even if the consumer is currently disconnected for non-payment to existing distribution licensee, such consumer should be allowed to changeover.
10. The Commission has also noted the points raised by TPC-D & RInfra-D through its submissions and discussions during the hearings.
- i. Ownership of meters, testing & reading
- During the submissions and proceedings of the hearings, both the parties have agreed to provide the choice to opt for meter of RInfra-D or TPC-D or purchase of own meter from any third party would be left to the consumers. The parties have also submitted that they have agreed to joint testing of the meters at the time of migration or as per a joint schedule of testing.
- However, with regard to meter reading, RInfra-D submitted that the existing process of meter reading should be continued (i.e. RInfra-D reading meters), and that the meter reading data could be provided to TPC-D along with time of reading for the purpose of verification. RInfra-D also highlighted that all meters of change-over customers shall have download capability. Wherever, the meter does not have the downloading capability, existing meter shall be replaced with an appropriate meter by RInfra-D.
- Whereas, TPC-D in its suggestions, submitted that, in cases of changeover from RInfra-D to TPC-D, meter reading for billing purposes should be done by the TPC-D and such meter reading data could be provided to RInfra-D for cross-verification.



ii. Billing and collection & payment of wheeling charges

TPC-D and RInfra-D have submitted that billing and collection for changed-over consumers shall be the responsibility of the Supply Distribution Licensee.

It was submitted that such bills shall include the wheeling charges for using the network of the distribution licensee whose network is being used, as approved by the Commission.

However, with regard to payment of wheeling charged, RInfra-D in its submission, suggested that monthly invoice would be raised on TPC -D towards wheeling charges, which needs to be paid by TPC-D in seven days from the due date in such bill. TPC-D however, suggested that such bills should be payable by the 15th of the subsequent month.

iii. Changeover procedure & security deposit

Both the parties submitted that the consumer should at the time of application for changeover, in addition to stipulated requirements, provide latest paid bill of the existing licensee. Further, the parties submitted that the final meter reading on changeover date should be taken jointly in the presence of the consumer. The parties also submitted that the changeover could take place on the next scheduled meter reading date, subject to a minimum period of seven days.

However, with regard to security deposit, RInfra-D submitted that if the consumer's security deposit with RInfra-D is inadequate to recover amounts equivalent to one month then the consumer should pay a differential security deposit to RInfra-D at the time of changeover. TPC-D, whereas, submitted that such condition may not be advisable since it will be an irritant for consumers.

iv. Past dues, Disconnection, reconnection and recovery of past dues

Both the parties submitted that the TPC-D (i.e. in this case Supply Distribution Licensee) shall not be liable for past dues of the consumer. RInfra-D submitted that the consumer shall be liable for liabilities / dues. TPC-D emphasized that the consumer shall be liable for liabilities / dues established by the competent authority arising subsequent to changeover.



The parties submitted that disconnection for payment default in respect of TPC-D's bills to be carried out by RInfra-D on advice by TPC-D only. TPC-D will carry out such disconnections within 7 working days under intimation to RInfra-D, where RInfra-D has not acted upon TPC-D advice. The parties also reached agreed that in cases where disconnection is for the recovery of RInfra-D dues i.e. pending court cases, theft/ unauthorized use, the disconnection will be carried out by RInfra-D under information to TPC-D.

RInfra-D further submitted that in case of consumer who has been disconnected for payment default will not be allowed changeover or supplied by other distribution licensee without clearing dues with the present distribution licensee. TPC-D viewpoint was that 'clearing of dues' is replaced by No Objection Certificate (NOC) of the present distribution licensee.

v. Standards of Performance

RInfra-D proposed that it will treat changed-over consumers at par with its own consumers. They will be subjected to non-discriminatory treatment. TPC-D elaborated this aspect in greater detail and suggested that the Standards of Performance (SoP) issued by the Commission will guide RInfra-D and TPC-D while attending to complaints and other requirements for changeover consumers. TPC-D proposed a division of SoP responsibilities between TPC-D and RInfra-D.

11. Besides the above mentioned points, the following points were raised-

- i. It was submitted by R-Infra that in case of augmentation requirement in respect of requests for load reduction / enhancement TPC-D should inform R-Infra of the same. RInfra-D will inform TPC-D regarding the charges to be collected from customer (as per RInfra-D's schedule of charges). RInfra-D shall undertake such network augmentation based on TPC-D's advice.

Whereas, TPC-D submitted that the sole responsibility of Network Development/Load Enhancement cannot lie with RInfra-D and network laying or augmentation of network is separate process.



- ii. It was submitted by RInfra-D that since tariffs are different for different classes of consumers, the implementation of changeover may lead to switching by the subsidizing consumers of RInfra-D to TPC-D. As a result, the burden of the cross-subsidy will have to be absorbed by the remaining RInfra-D consumers.
- iii. RInfra-D highlighted the issue relating to regulatory asset and likely under-recovery of its revenue requirement due to stay on tariffs (where tariffs had gone up pursuant to the Commission's tariff order of June 15th, 2009). It further requested the Commission to address this issue as it would only get accentuated by the implementation of changeover. .
- iv. TPC-D requested the Commission to explore the possibility of implementing service charge per unit supplied to its consumers using distribution network of other distribution licensee. This is similar to the concept of distribution or retail margin for supply portion of the distribution licensee's business.
- v. In the context of changeover, the issue of data requirement by State Load Dispatch Center (SLDC), at a 15 minute interval, to allow implementation of Final Balancing and Settlement Mechanism (FBSM), was also highlighted during the course of hearings.

The Commission is of the view that these points have wider implications and require more examination. Therefore, the Commission will consider the same separately in appropriate proceedings.

12. After hearing the parties and all the participants, the Commission, in exercise of powers vested in it under Section 94 (2) of the EA 2003 rules as under:

- i. Ownership of Meters

The Commission would like to draw attention to the Section 14.1.3 of MERC (Electricity Supply Code and Other Conditions of Supply) Regulations, 2005, under which, the consumer may elect to purchase a meter from the licensee or any supplier. Since, it is a case of more than one licensee; the Commission allows the consumer the choice to continue with the existing meter of RInfra-D or opt for meter from TPC-D or purchase its own meter from any third party.



The Commission also holds that both the TPC-D and RInfra-D should ensure that the meter for change over consumers is of a downloadable variety. To ease the process of purchase of meters by the changeover consumers, who opt to purchase their own meters, the Commission directs that TPC-D and RInfra-D develop common specifications of meters acceptable to them and publicize the same along with an indicative list of third parties from whom consumers can purchase such meters.

ii. Meter Reading

The Commission is of the view that meter reading for consumer billing purposes should be done by the TPC-D. Since TPC-D will be responsible for billing and collection for the changeover consumers and the meter reading is an integral part of bill preparation, hence meter reading for billing purposes by TPC-D is necessary. It is also aligned with its accountability towards consumers. However, to enable RInfra-D to cross-verify TPC-D's readings, which is a critical input for computing its distribution loss, TPC-D will provide meter reading information for changed-over consumers to RInfra-D on a daily basis along with the date and time of the meter reading.

iii. Payment of wheeling charges

The Commission rules that the TPC-D shall pay the RInfra-D the wheeling charges within 21 days from the date of bills raised on the changeover consumer irrespective of payment of wheeling charges by the changeover consumer. In case of any delay of payment by TPC-D to RInfra-D, the interest rate shall be payable as per the Tariff schedule of RInfra-D.

iv. Period for changeover

The Commission is of the view that in light of Section 43 of the EA, 2003 the period for changeover shall not exceed more than 30 days from the date of receipt of completed changeover application by TPC-D.

v. Past dues/liabilities & disconnection



The Commission notes that there could be dues pertaining to final bill (based on joint meter reading at the time of changeover) issued by the existing distribution licensee and those where exact amount of liability is not established at the time of changeover but may crystallize after the date of changeover.

The Commission rules that these issues are covered under Section 56 of the EA, 2003 (Disconnection of supply in default of payment) as given below-

“Where any person neglects to pay any charge for electricity or any sum other than a charge for electricity due from him to a licensee or the generating company in respect of supply, transmission or distribution or wheeling of electricity to him, the licensee or the generating company may, after giving not less than fifteen clear days notice in writing, to such person and without prejudice to his rights to recover such charge or other sum by suit, cut off the supply of electricity and for that purpose cut or disconnect any electric supply line or other works being the property of such licensee or the generating company through which electricity may have been supplied, transmitted, distributed or wheeled and may discontinue the supply until such charge or other sum, together with any expenses incurred by him in cutting off and reconnecting the supply, are paid, but no longer:

Provided that the supply of electricity shall not be cut off if such person deposits, under protest, -

- (a) an amount equal to the sum claimed from him, or*
 - (b) the electricity charges due from him for each month calculated on the basis of average charge for electricity paid by him during the preceding six months, whichever is less, pending disposal of any dispute between him and the licensee.*
- (2) Notwithstanding anything contained in any other law for the time being in force, no sum due from any consumer, under this section shall be recoverable after the period of two years from the date when such sum became first due unless such sum has been shown continuously as recoverable as arrear of charges for electricity supplied and the licensee shall not cut off the supply of the electricity”*



The Commission though, does not prescribe any No Objection Certificate (NOC) or undertaking in the form of confirmation for the changeover consumer, such consumers, however, are bound by such court orders and the liability imposed on them thereunder.

The Commission would like to clarify that a Consumer who has been disconnected for payment default shall not be allowed to migrate to the other Distribution licensee without clearing his dues with the present licensee.

vi. Differential Security Deposit

It has been submitted by RInfra-D that if the security deposit with RInfra-D is inadequate for one month bill equivalent, TPC-D may advise the consumer at the time of acceptance of application to pay differential Security Deposit to RInfra-D. The Commission is of the view that such differential Security Deposit will impede the process of smooth changeover and therefore, the Commission does not recommend any differential or additional Security Deposit. However, as observed above, in case of non-payment of dues, RInfra-D can exercise his rights as per the law.

vii. Theft and inspection

It was submitted by both the parties that in case of theft / misuse and meter tampering, RInfra-D to be responsible for controlling theft and meter tampering in case the meter belongs to RInfra-D and in other cases, TPC-D shall be responsible for the same. It was also proposed that TPC-D will be entitled to inspect changeover consumer's premises to investigate in case of suspected unauthorized use. Further, it was submitted that, in such cases, an invoice shall be raised by RInfra-D on TPC-D in respect of Assessment Energy. The Assessment Energy shall be considered as default supply by RInfra-D and assessed as per the Section 126 (6) of EA 2003 at a rate equal to twice the tariff rate applicable for the relevant category for computation of charges for such assessed energy. TPC-D



will in-turn recover the same from the consumer. TPC-D submitted that this is a long-term issue which needs to be addressed in the form of regulations. However it was suggested that it could be mentioned in the conditions of changeover.

The Commission observes that any theft by meter tampering or bypassing meter leads to increased distribution losses for RInfra-D and requires RInfra-D to pay for this energy (representing increased distribution losses) in the Intra-State Pool at the System Marginal Price. To ensure that wheeling distribution licensee (RInfra-D) is able to manage the distribution losses, it should have the right to inspect and read consumer meter from time to time for detection and investigation of theft by way of meter tampering or bypassing the meter.

13. Calculation of tariff for Changed-over consumers

- i. The Commission rules that the consumer should not be required to pay the wheeling charges of both TPC-D and RInfra-D.

Since, in this particular case, the RInfra-D network is being utilized for wheeling of energy to the consumer, the wheeling charges for RInfra-D should be added to and the wheeling charges for TPC-D should be deducted from the final tariff of TPC-D as determined by the Commission from time to time. For determination of tariff for Changed-over consumers, the following methodology shall be used:

Calculation methodology for tariff for a Changeover consumer	
	Charges based on tariff of the Supply Distribution Licensee as determined by the Commission
Less:	Wheeling charges of the Supply Distribution Licensee
Add:	Wheeling charges of the Wheeling Distribution Licensee
	Tariff chargeable to the Changeover consumer



In the above tariff computations the wheeling charges, expressed as Rs./kWh, in the Commission's Clarificatory Orders dated July 22, 2009 for RInfra-D and TPC-D and in subsequent orders, if any, shall be considered.

14. This interim arrangement shall be applied mutatis mutandis in scenarios where RInfra-D is the Supply Distribution Licensee and TPC-D is the Wheeling Distribution License in Mumbai area. The detailed procedure to be followed for changeover consumers is given in the Appendix 1.

15. The interim arrangement as above shall stay in effect until formulation of the final scheme in the form of regulations or otherwise dealing with all the relevant aspects of changeover are issued by the Commission.

Sd/-
(V.L. Sonavane)
Member

Sd/-
(S.B. Kulkarni)
Member

Sd/-
(V. P. Raja)
Chairman



Sanjay Sethi
Secretary, MERC

Appendix 1- Detailed Operating Procedure for Changeover

The interim arrangement laid herein should be read together with MERC (Electricity Supply Code and Other Conditions of Supply) Regulations, 2005 and the MERC (Standards of Performance of Distribution Licensees, Period for Giving Supply and Determination of Compensation) Regulations, 2005.

Definitions

“Changeover” means the act of a consumer of switching over from the Distribution Licensee with whom his premises are for the time being connected for the purpose of receiving electricity, to another Distribution Licensee within the same area of supply where the consumer premises are located.

“Changed-over Consumer” means the consumer who has switched over from the Distribution Licensee to another Distribution Licensee.

“Existing Distribution Licensee” means the Distribution Licensee with whom the consumer’s premises are for the time being connected for the purpose of receiving electricity, before Changeover.

“New Distribution Licensee” means the Distribution Licensee with whom the consumer’s premises are connected for the purpose of receiving electricity after Changeover.

“Supply Distribution Licensee” means the Distribution Licensee who provides electricity supply to the consumer using the distribution system of the Wheeling Distribution Licensee.

“Wheeling Distribution Licensee” means the Distribution Licensee who owns and operates the distribution system in the area where the consumer premises are located and is responsible for providing wheeling services to the Supply Distribution Licensee.

“ESC” or **“Supply Code”** means the Maharashtra Electricity Regulatory Commission (Electricity Supply Code and Other Conditions of Supply) Regulations, 2005

“SoP” means the Maharashtra Electricity Regulatory Commission (Standards of Performance of Distribution Licensees, Period for Giving Supply and Determination of Compensation) Regulations, 2005

1. Procedures for Changeover

1.1 Information for the benefit of the Consumer

- i. Both the Distribution Licensees shall give wide publicity to the choice of supplier available to consumers in their license areas.
- ii. Both the Distribution Licensees shall provide the following at their respective consumer service centers and websites:
 - Changeover application forms;
 - Detailed procedure for Changeover;
 - Specifications of meters and indicative sources from where the consumer can purchase meters, if they opt for their own meters;
 - Agreements (for consumers with load greater than or equal to 50 KW);
 - Frequently asked questions related to Changeover; and
 - Any other relevant information which helps consumer make an informed decision regarding Changeover

1.2 Application for Changeover

- i. The Distribution Licensees shall make available application form for Changeover free of cost to the consumer.
- ii. No Consumer who has been disconnected for payment default will be allowed a Changeover without clearing dues of the Existing Distribution Licensee.
- iii. The Consumer shall attach a copy of the last bill served by the Existing Distribution Licensee, proof of its payment and other relevant documents as required under ESC.
- iv. The Consumer shall not be required to obtain the No-objection certificate (NOC) from the Existing Distribution Licensee.
- v. The Application for Changeover shall be submitted by the Consumer to the New Distribution Licensee.
- vi. The Consumer shall pay application processing fees as per Schedule of Charges approved by the Commission as per the Supply code.

- vii. The Consumer shall indicate her/his choice in terms of the meter i.e.
 - Meter provided by the Existing Distribution Licensee to be continued or
 - Meter to be provided by the New Distribution Licensee or
 - Consumer to purchase own meter
- viii. The consumer shall not be permitted to change his/ her name or the purpose or the classification category at the time of Changeover.
- ix. The Changeover application shall mention that any Changed-over consumer who proposes to change name, purpose, category at a later date to continue to abide by the conditions of Changeover even after change of his/ her name or the purpose or the classification category.

1.3 Pre-Changeover Activities

- i. The New Distribution Licensee shall inform the Existing Distribution Licensee on a daily basis (in the agreed format) information regarding completed application forms received.
- ii. The Existing Distribution Licensee shall share with the New Distribution Licensee information relating to any arrears/disputes/court cases, etc. for consumers proposing to Changeover within 3 days of receipt of information from the New Distribution Licensee.
- iii. The New Distribution Licensee shall inspect the consumer premises to confirm classification, connected load, technical issues, if any, etc. within the timeframe as stipulated under SoP.
- iv. The New Distribution Licensee shall estimate the security deposit to be provided by consumer as per ESC and intimate the same to the Consumer.
- v. The Consumer shall pay such security deposit amount to the New Distribution Licensee.
- vi. In case of sanctioned load equal to or higher than 50 KW, the Consumer shall have to enter into an agreement with the New Distribution Licensee at the time of Changeover.

1.4 Changeover

- i. The Changeover shall coincide with the next scheduled meter reading date of the Existing Distribution Licensee subject to minimum 7 working days from receipt of intimation from the New Distribution Licensee.
- ii. In any case the Changeover can not take more than 30 days from the receipt of completed Changeover application by the New Distribution Licensee. The Wheeling Distribution Licensee and the New Distribution Licensee to agree on a suitable date for Changeover within 30 day period, if next meter reading date falls beyond such period.
- iii. In case, a consumer opts for the New Distribution Licensee's meter or own meter – the same shall be tested by the New Distribution Licensee at its laboratory and installed at the consumer's premises. The Existing Distribution Licensee to remain present at the time of such testing.
- iv. In case of meters provided by the Existing Distribution Licensee, such meters will be tested jointly on-site as per agreed schedule between the Existing Distribution Licensee and the New Distribution Licensee, ideally at the time of Changeover.
- v. In case metering involves CT/PT, then there shall be a joint schedule for verification of CT/PT ratios.
- vi. All meters and cutouts for Changeover consumers shall be safe-guarded against unauthorized access by way of sealing. For the New Distribution Licensee and consumer meter, sealing shall be done by the New Distribution Licensee and for the Existing Distribution Licensee provided meter, sealing shall be by the Existing Distribution Licensee. The cutout in all cases shall be sealed by the Existing Distribution Licensee.
- vii. The meter reading on Changeover date shall be taken jointly by EDL & NDL. The consumer may remain present at the time of joint meter reading if so desired by the consumer and if it is practicable. Such meter reading shall be the final meter reading of the Existing Distribution Licensee and opening meter reading of the New Distribution Licensee, irrespective of the choice of meter by the consumer. Such meter reading shall be counter-signed by the Existing

- Distribution Licensee, New Distribution Licensee and the consumer, if present at the time of joint meter reading.
- viii. The Existing Distribution Licensee shall raise the final bill based on final meter reading. The Consumer shall pay the Existing Distribution Licensee's final bill on or before the due date.
 - ix. The Existing Distribution Licensee may adjust the security deposit (with the Existing Distribution Licensee) in the event of payment default with the prior notice, if any, and refund the balance security deposit within 7 working days from the due date for final bill
 - x. In case of any non-payment or partial payment of final bill of the Existing Distribution Licensee (after adjusting security deposit, if any) by the Changed-over consumer, provisions of Section 56 (Disconnection of supply in default of payment) of EA 2003 shall apply.

1.5 Meter reading

- i. For the purpose of the billing, the meter reading shall be done by the Supply Distribution Licensee.
- ii. The Supply Distribution Licensee shall provide the meter reading information for Changed-over consumers to the Wheeling Distribution Licensee on a daily basis along with the date and time of the meter reading.
- iii. The Wheeling Distribution Licensee may cross-verify such readings for the purpose of computing distribution losses.
- iv. The meters used by Changeover Consumers shall have the necessary data transfer / download capability as may be required to permit smooth functioning of the meter reading mechanism specified in (i), (ii) and (iii) above.

1.6 Energy Accounting

- i. The Existing Interim Balancing and Settlement Mechanism (IBSM) shall be continued during the interim arrangement for changeover.
- ii. Energy sales to Changed-over consumers, as per meter readings of the Supply Distribution Licensee taken for the purpose of billing, shall be shared by the

- Supply Distribution Licensee with Wheeling Distribution Licensee and the State Load Dispatch Center (SLDC)
- iii. Such energy shall be grossed up for the distribution losses for the Wheeling Distribution Licensee approved by the Commission and then subtracted from total T\leftrightarrowD recorded energy of the Wheeling Distribution Licensee
 - iv. Such adjusted energy shall be further grossed up for intra-state transmission losses to determine the Wheeling Distribution Licensee's G\leftrightarrowT requirement for Intra-State Pool balancing and accounting.
 - v. The same energy as worked out for Wheeling Distribution Licensee at T\leftrightarrowD level will be added to the T\leftrightarrowD recorded energy of Supply Distribution Licensee.
 - vi. Such adjusted energy for the Supply Distribution Licensee shall then be grossed up for intra-state transmission losses to determine the Supply Distribution Licensee's G\leftrightarrowT requirement for Intra-state Pool balancing and accounting.

1.7 Billing and Collection

- i. The Bills for Changed-over consumers shall be raised by the Supply Distribution Licensee.
- ii. Such bills shall include the wheeling charges and clearly state the Wheeling charges and the name of the Wheeling Distribution Licensee
- iii. The Supply Distribution Licensee shall be responsible for collection of bills from the Changed-over consumers.

1.8 Wheeling Charges

- i. The Supply Distribution Licensee shall pay wheeling charges to the Wheeling Distribution Licensee within 21 days from the date of bills raised on Changed-over consumers.
- ii. Such payment shall consider the meter readings and wheeling charges included in the bills raised on Changed-Over consumers.
- iii. Such payment shall be made irrespective of receipt of payment from Changed-over consumers.

- iv. Any delay in payment to attract an interest at the same rate applied to the Wheeling Distribution Licensee's consumers

1.9 Disconnection for non-payment

- i. The Supply Distribution Licensee shall have right of disconnection for payment default in respect of its bills raised on Changed-over consumers, and the Supply Distribution Licensee to exercise such right through the Wheeling Distribution Licensee after giving prior notice to the consumers as per Section 56 of the EA 2003.
- ii. The Wheeling Distribution Licensee shall undertake disconnection upon receipt of advice from the Supply Distribution Licensee provided that notice as per Section 56 of the EA 2003 shall be issued to the consumer.
- iii. The Supply Distribution Licensee shall raise the final bill on consumer after disconnection.
- iv. No consumer who has been disconnected for payment default shall be allowed a Changeover without clearing dues of the Existing Distribution Licensee.

1.10 Customer service and interface

- i. The Supply Distribution Licensee shall be the sole interface for the consumer and shall deal with all consumer service requirements and complaints including those relating to billing, meter accuracy, supply quality, network, etc.
- ii. The Supply Distribution Licensee shall inform the Wheeling Distribution Licensee of all complaints relating to metering accuracy including action to be taken including meter testing at site, at the Supply Distribution Licensee's test laboratory, at the Wheeling Distribution Licensee's test laboratory or at the independent laboratory, as the case may be.
- iii. The Supply Distribution Licensee shall also inform Wheeling Distribution Licensee of all complaints relating to supply quality and network. The Wheeling Distribution Licensee shall keep the Supply Distribution Licensee informed about the status of redressal /closure of the complaint.

- iv. Both the Supply Distribution Licensee and the Wheeling Distribution Licensee shall develop an efficient process of sharing information and ensuring that consumer service standards as per SoP are not compromised due to Changeover.
- v. Any Changed-over consumer who proposes to change name, purpose, category shall continue to abide by the conditions of Changeover even after change of name/purpose/category. The Supply Distribution Licensee shall inform the Wheeling Distribution Licensee of such changes at the time of change.

1.11 Thefts and Inspection

- i. The Supply Distribution Licensee shall have right to inspect customer premises including meter to detect tampering of meter and also to establish misuse, unauthorized consumption, if any.
- ii. In case of misuse, the Supply Distribution Licensee shall initiate appropriate proceedings against the consumer and advise the Wheeling Distribution Licensee to carry out disconnection in accordance with EA 2003.
- iii. The Wheeling Distribution Licensee shall have the right to inspect meter and cutout seals from time to time and take meter readings for all Changed-over consumers.
- iv. The Wheeling Distribution Licensee shall use meter reading data provided by the Supply Distribution Licensee and compare the same with its own meter reading data to establish any prima-facie case of theft/meter tampering.
- v. The Assessed Energy, in cases where theft by meter tampering / bypassing meter is established, shall be considered as default supply by the Wheeling Distribution Licensee and will be computed and recovered from consumer as per provisions of Section 126 (6) of EA 2003.
- vi. The Wheeling Distribution Licensee, as per the Section 126 (6) of EA 2003, shall use its rate equal to twice the tariff rates applicable for the relevant category for computation of charges for such assessed energy. The Wheeling Distribution Licensee shall provide such information to the Supply Distribution Licensee. The

Supply Distribution Licensee shall bill and recover such charges from the consumer and make payments to the Wheeling Distribution Licensee.

1.12 Standards of Performance

- i. The Supply Distribution Licensee shall be the sole interface to the consumer and therefore responsible for adherence to SoP relating to period of giving supply, quality of supply (voltage, harmonics), system of supply, restoration of supply, restoration in burnt meter cases, reconnection on payment of amounts due, etc.
- ii. Except for occurrences beyond the control of the Wheeling Distribution Licensee, the Wheeling Distribution Licensee shall honour its obligations to adhere to SoP.
- iii. The Wheeling Distribution Licensee shall not discriminate between Changed-over consumers and its own consumers for provision of wheeling services.
- iv. For non-adherence to SoP, the Supply Distribution Licensee shall have the right to demand from the Wheeling Distribution Licensee, reimbursement of compensation paid to affected consumers.

Appendix 2

List of Entities / Persons present at the Hearings held on September 30, 2009 and October 8, 2009

S.No.	Name of the person	Institution	Hearing held on September 30, 2009	Hearing held on October 8, 2009
1.	V.H. Wagle	Tata Power Company	Present	Present
2.	S.R. Mehendale, Tata Power	Tata Power Company	Present	-
3.	Prashant Joshi, Tata Power	Tata Power Company	Present	Present
4.	Mohmd. Azamy	Individual	Present	-
5.	Vishwanath V. Sakpal	Individual	Present	Present
6.	Sitaram B. Parulekar	Individual	Present	-
7.	M.S. Kadam	Individual	Present	-
8.	V.S. More	Individual	Present	-
9.	N.L. Patel	Individual	Present	Present
10.	R.B. Ranjane	Individual	Present	-
11.	V.G. Kulkarni	Individual	Present	-
12.	A.G. Thakur	Individual	Present	Present
13.	C.P. Patil	Individual	Present	-
14.	C.P. Ghare	Individual	Present	-
15.	Rahul S. Pawar	Individual	Present	Present
16.	Sharad Idate	Individual	Present	-
17.	S.S. Koli	Individual	Present	-
19.	V.H. Kunte	Individual	Present	Present
20.	Sunil Saraf	Individual	Present	-
21.	V.S. Jagtap	Individual	Present	-
22.	S.R. Anjorlekar	Individual	Present	-
23.	Karthik Krishnan	Tata Power Company	Present	Present
24.	Sameer M.	Individual	Present	-
25.	Mahesh G.	Individual	Present	-
26.	R.K. Das	Individual	Present	-
27.	Madhav Tekawade	Individual	Present	-
28.	Rahul M. Ranade	Individual	Present	-
29.	Anant B. Pendurkar	Individual	Present	-
30.	Dr. A.R. Shenoy	Energy Study Group	Present	Present
31.	S.R. Bhujbal	Individual	Present	-
32.	A.D. Pednekar	Individual	Present	Present
33.	M. Khamkar	Individual	Present	-
34.	V.J. Mugandkar	Individual	Present	-
35.	Amit Gajaria	Kandivli Co.op.Society	Present	Present

S.No.	Name of the person	Institution	Hearing held on September 30, 2009	Hearing held on October 8, 2009
36.	Amol Rajadhyax	CRISIL Infrastructure Advisory	Present	Present
37.	A.V. Prabhumirashi	Individual	Present	-
38.	A.S. Boli	Consumer Representative	Present	Present
39.	K. Shankar	Individual	Present	-
40.	Champalal Dhoka	Individual	Present	-
41.	Kaushik M. Kamdar	Individual	Present	-
42.	M. Shenbagan	Individual	Present	-
43.	A. Sethi	Tata Power company	Present	Present
44.	C.A. Narayan	Individual	Present	-
45.	M.P. Kulkarni	Tata Power Company	Present	-
46.	Sitesh Mukherjee	Advocate, Tata Power Company	Present	Present
47.	Sakya Singha Chaudhuri	Advocate, Tata Power Company	Present	-
48.	S.M. Joshi	Individual	Present	-
49.	Avinash Mahadik	Individual	Present	-
50.	C.S. More	Individual	Present	Present
51.	A.T. Singh	Individual	Present	-
52.	Rahul Waikar	Individual	Present	-
53.	Uday Bhide	Individual	Present	-
54.	H.D. Thakur	Tata Power Company	Present	Present
55.	Dilip Chavan	Tata Power Company	Present	Present
56.	Rohini Bhagat	Individual	Present	Present
57.	N.C. Potphode	Individual	Present	-
58.	K.R. Cooper	Individual	Present	Present
59.	Shrikant Kulkarni	CRISIL Infrastructure Advisory	Present	Present
60.	Ganesh B.	Reliance Infrastructure	Present	Present
61.	Sharad Nath	Reliance Infrastructure	Present	-
62.	Achintya Mukherjee	Individual	Present	Present
63.	P.K. Mukherjee	Individual	Present	-
64.	Shankar Rao	Individual	Present	-
65.	Karunashankar Yadav	Individual	Present	Present
66.	Jeevan Pedhnekar	Individual	Present	-
67.	Shrikant V. Soman	Individual	Present	Present

S.No.	Name of the person	Institution	Hearing held on September 30, 2009	Hearing held on October 8, 2009
68.	Mahesh Patankar	Individual	Present	-
69.	J.J. Bhatt	Advocate, Reliance Infrastructure	Present	Present
70.	Ms. Anjali Chandurkar	Individual	Present	-
71.	Surendra Khot	Individual	Present	-
72.	Vivek Mishra	Reliance Infrastructure	Present	Present
73.	Pankaj Pandya	Reliance Infrastructure	Present	Present
74.	Kishore Sheno	Reliance Infrastructure	Present	-
75.	Miling V. Karambelkar	Individual	Present	-
76.	Vaibhav Sinha	Individual	Present	-
77.	Ashok Pendse	Individual	Present	Present
78.	S. Ramakrishnan	Tata Power Company	Present	Present
79.	PN. Sridharan	Mumbai Citizens' Welfare Forum	Present	-
80.	Mohammed Afzal	Consumer Activist	Present	Present
81.	S. Padmanabhan	Individual	Present	-
82.	R.V. Kamat	Individual	Present	-
83.	Milan Patel	Individual	Present	-
85.	Maneesh Sinha	Individual	Present	-
86.	N. Ponrathnam	Vel Inductron Hardening	Present	Present
87.	V. Gopal	Individual	Present	-
88.	Ajit Pethe	G.V. Electricals	-	Present
89.	A.S. Rajwade	G.V. Electricals	-	Present
90.	R.G. Marathe	Reliance Infrastructure	-	Present
91.	R.N. Hegdekar	Chairperson, CGRT, Tata Power	-	Present
92.	Rakshpal A	Individual	Present	Present
93.	Dr. A.R. Shenoy	H. West Ward	-	Present
94.	M. Shenbagar	Tata Power Company	-	Present
95.	R.N. Sonar	Individual	-	Present
96.	Aditya Bedekar	K. Raheja Corpn.	-	Present
97.	C.A. Colalo	Tata Power Company	-	Present
98.	D.S. Patil	Individual	-	Present
99.	R.R. Mehta	Individual	-	Present
100.	Dr. S.L. Patil	TBIA	-	Present
101.	Kapil Sharma	Reliance Infra	-	Present

S.No.	Name of the person	Institution	Hearing held on September 30, 2009	Hearing held on October 8, 2009
102.	S.R. Perumally	Individual	-	Present
103.	A.S. Omase	Individual	-	Present
104.	S.R. Mehandale	Tata Power Company	-	Present
105.	M.V. Deshingkar	Ex-employee of.MSEDCL	-	Present
106.	R.R. Nakhare	Reliance Infrastructure	-	Present
107.	R.B. Purohit	CGSI	-	Present
108.	Guruprasad Shetty	AHAR	-	Present
109.	Anjali Neelendu	Reliance Infrastructure.	-	Present
110.	R.M. Kasa	Tata Power Company	-	Present
111.	R.K. Gupta	Tata Power Company	-	Present
112.	Partha Ganguly	MIAL	-	Present
113.	Pravind Kumar	MIAL	-	Present
114.	Sanjay B.	Reliance Infrastructure	-	Present
115.	Shalini Singh	Tata Power Company	-	Present
116.	Shirish Deshpande	MGP	-	Present
117.	Onkar Chandurkar	Mulla & Mulla & Craigie Blunt & Caroe	-	Present
118.	Tapeshwari Prasad	Tata Power Company	-	Present
119.	S. Dixit	Tata Power Company	-	Present
120.	P.M. Hunter	Tata Power Company	-	Present
121.	V. Bamne	Tata Power Company	-	Present
122.	P. Jain	Jain Securities	-	Present
123.	C.S. More	Individual	-	Present
124.	S.G. Walke	Individual	-	Present
125.	Shantilal Patel	Individual	-	Present
126.	Pasarkar S.W.	Mumbai Grahak Panchayat	-	Present
126.	R.Reddy	Tata Power Company	-	Present
127.	S.R. Nargolkar	Advocate MIAL	-	Present
128.	Khan Sharfuddin	Individual	-	Present
129.	C.K. Kadam	Borivali	-	Present
130.	Deepak N. Israni	DLH	-	Present
131.	K.K. Chopra	Runwal Centre	-	Present
132.	N. Vignesh Kumar	Vel Induction Hardening	-	Present
133.	P.R. Chandra	S.C. Elec.	-	Present

S.No.	Name of the person	Institution	Hearing held on September 30, 2009	Hearing held on October 8, 2009
134.	M.A. Chaudhary	Electric Contractor	-	Present
135.	Sirui Khan	Electric Contractor	-	Present
136.	Gulbahar	Electrician	-	Present