Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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Case No. 138 of 2014

In the matter of
Petition of Maharashtra State Electricity Distribution Co. Ltd. for removal of
difficulties and amendment of Standards of Performance Regulations, 2014

CORAM

Smt. Chandra Iyengar, Chairperson
Shri. Azeez M. Khan, Member
Shri. Deepak Lad, Member

Maharashtra State Electricity Distribution Co. Ltd. ... Petitioner

Appearance
For the Petitioner Shri. N.M Chaudhary, Sup. Eng.

For Consumer Representative Shri Ashok Pendse, TBIA

ORDER

Date: 17 August, 2015

1. The Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) has filed a
Petition dated 18 July, 2014, under Regulations 14 and 15 of the MERC (Standards
of Performance of Distribution Licensees, Period for Giving Supply and
Determination of Compensation) Regulations, 2014 (‘SoP Regulations’) for removal
of difficulties in the implementation of the Regulations, and for amendment of
certain provisions.

2. MSEDCL’s prayers are as follows:
   “
   a) To admit the Petition as per the provisions of the Regulation 14 and 15 of the
   MERC (Standards of Performance of Distribution Licensees, Period for giving
   supply and Determination of Compensation ) Regulations, 2014 ;
b) To consider the concerns submitted by the Petitioner in implementation of MERC (Standards of Performance of Distribution Licensees, Period for giving supply and Determination of Compensation) Regulations, 2014;

c) To amend the MERC (Standards of Performance of Distribution Licensees, Period for giving supply and Determination of Compensation) Regulations, 2014 as proposed by the Petitioner;..."

3. In its Petition, MSEDCL has submitted that the SoP Regulations, which came into force from 20 May, 2014, has certain ambiguities which are having a major impact on MSEDCL’s operations. These ambiguities and certain provisions of the Regulations are making their implementation difficult in totality. MSEDCL has drawn attention to the following:

a) **Definition of Class I Cities**

   There are some cities with million-plus population as per the 2011 Census. There are also some Municipal Corporations with population above a million. Due to such ambiguous data, it is difficult for MSEDCL to clearly identify the Class–I Cities and accordingly follow the SoP Regulations 2014 as specified for Class-I Cities. The Class-I Cities may be clearly specified (R. 2.1(f)) so as to avoid any confusion among consumers as well as MSEDCL’s field officials.

b) **Definition of Express Feeder**

   The definition (R. 2.1(m)) may be amended to read:

   “Express Feeder” is a feeder emanating from the Licensee’s substation/ Switching Station to connect to a single consumer or a group of consumers, which also includes dedicated distribution facility (DDF).

c) **Control of Harmonics**

   Regulation R. 5.1(d) may be amended as underlined below to make the consumer also responsible for the control of Harmonics:

   *The Distribution Licensee as well as consumers shall control the harmonics level at the point of supply in accordance with that prescribed by the IEEE STD 519-1992, namely “IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems” and corresponding standards as may be specified in accordance with Section 185(2)(c) of the EA, 2003.*

d) **System of supply**

   A few consumers are presently connected on non-SoP levels. Due to various system constraints, they are facing more interruptions. Implementation of Regulation 5.3 will further increase interruptions at the existing voltage levels and thus affect the quality of supply. Since an increasing number of consumers with higher Contract Demand would be accommodated on feeders with existing
consumers within the SoP limits, the feeder will be more prone to interruptions. Since the network is designed for contingencies as per the previous SoP Regulations, the sudden change in norms will add to complexities in the existing network and affect its stability. This will require large-scale network augmentation. Specifications may also have to be re-designed, including of mechanical components such as poles and electrical accessories such as conductors. Hence, Regulation R. 5.3(a) may be replaced by the following:

Except where otherwise previously approved by the Authority, the classification of installations shall be as follows:

(a) AC system:

... (iii) Three phase, 50 cycles, 11 kV – all installations with contract demand above the limit specified in the clause (ii) and up to \textbf{1500 kVA} [instead of 3000 kVA].

Provided that in Mumbai Metropolitan Region or in case of supply to an installation through an express feeder in other area, the contract demand limit would be 5000 kVA.

(iv) Three phase, 50 cycles, 22 kV – all installations with contract demand above the limit specified in the clause (ii) or clause (iii) and up to \textbf{3000 kVA} [instead of 7500 kVA].

Provided that in Mumbai Metropolitan Region or in case of supply to an installation through an express feeder in other area, the contract demand limit would be 10,000 kVA.

(v) Three phase, 50 cycles, 33 kV – all installations with contract demand above the limit specified in the clause (ii) or clause (iii) or (iv) above and up to \textbf{5,000 kVA} [instead of 10,000 kVA]:

Provided that in Mumbai Metropolitan Region or in case of supply to an installation through an express feeder in other area, the contract demand limit would be \textbf{15,000 kVA} [instead of 20,000 kVA].

(vi) Three phase, 50 cycles, Extra High Voltage – all installations with contract demand above the limit specified in the clause (iv) or clause (v)...”

e) Restoration of supply on failure

Regulation 6.1 may be amended to read as follows by adding a sentence:

*The Distribution Licensee shall attend fuse-off calls within three (3) hours in Class I cities, within four (4) hours in Urban Areas and within eighteen (18) hours in Rural Areas of the receipt of a complaint. Restoration will be subject to availability/access to the consumer premises.*

The amendment is proposed because, in Class I Cities and Urban Areas, meters are usually inside the consumers’ premises, and complaints are often received late at night. In such cases, it is not possible to restore supply within the time limits because the commercial/industrial premises may be closed or the residential consumer asleep.
f) **Restoration of supply on failure of underground cable**

Regulation R. 6.3 may be amended to exclude the time required for various approvals, as follows:

*The Distribution Licensee shall restore the power supply caused by underground cable faults including service connection within twelve (12) hours in Class I cities, within Eighteen (18) hours in the Urban Areas and within forty eight (48) hours of the receipt of a complaint in the Rural Areas, excluding time required for necessary approvals of the concerned local bodies (if any).*

g) **Re-connection of supply**

If a HT consumer has remained disconnected for a relatively longer period (i.e. a month or more), complete testing of the metering cubicle (CT/PTs) is necessary to ensure accuracy before re-connection. This may require more time than specified. In case of overhead HT supply, restoration requires shutdown from sub-stations to reconnect the cable/jumpers on poles, which may also require more time. Hence, Regulation 6.10(i) may be amended to read as follows:

*Where the Distribution Licensee has disconnected supply to a consumer for a period of not more than six months, then if such consumer pays all amounts due and payable by him to the satisfaction of the Distribution Licensee or, in case of a dispute, pays such amounts under protest, the Distribution Licensee shall reconnect supply within –*

(i) **Eight (8) hours for LT connection, and in case of HT connection within Twelve (12) hours from the payment of dues made by the consumer in Class I cities:**...

instead of within 8 hours for both HT and LT connections in Class I cities as at present.

Further, while R. 6.10(i) specifies 8 hours, the entry at Clause 5 of Appendix A of the Regulations (regarding compensation) refers to 4 hours. The latter may be brought in line with the Regulation.

h) **Replacement of burnt meter**

Regulation 7.4 may be amended to read as follows:

*The Distribution Licensee shall replace at its own cost the burnt out meters within the timeline specified in Regulation 6.5, if the burning of meter is due to the causes attributable to the Distribution Licensee.*

*Provided that, if the meter is burnt due to causes attributable to the consumer such as tampering...*

*...Provided that such charges recovered for such meter (same as burnt meter) shall be remitted back to the consumer if competent authority doesn’t find the consumer responsible for the burnt meter.*
Provided that for HT Category Consumers the Competent Authority shall be the Superintending Engineer (O&M) of concerned Circle and for LT Category Consumers the Competent Authority shall be the Executive Engineer (O&M) of Concerned Division.

Since the competent authority has not been designated by the Commission, MSEDCL has proposed that the above designation be added.

Further, the reference to tampering of meter in the first proviso should be deleted since it is different in nature from other causes of burnt meters and is separately provided for in Sections 126 or 135 of the EA, 2003.

i) Establishment of Call Centres

MSEDCL submitted that, since it has a state-of-the-art Centralized Customer Care Centre catering to all consumers, including in Class-I Cities, Urban Areas and Rural Areas for almost all kinds of complaints, it may be exempted from the establishment of area-wise Call Centres required under Regulation 8.1.

4 In its Addendum dated 15 November, 2014, MSEDCL has submitted as follows:

a) The SoP Regulations provide for release of 100 kVA load on 33 kV level. This may be amended to 500 kVA in view of the following technical constraints and metering difficulties in meeting the present stipulation:

(i) Protection, co-ordination and isolation of consumer premises during fault becomes difficult; the entire feeder may trip, affecting a large area by interruptions.

(ii) Non-availability of Current Transformers (CTs) in market: For 100 KVA Contract Demand on 33 kV level, the current comes to 1.749 Amp. Presently, CTs of such low ratio with required short circuit level of 25 kA at 33 kV level are not available in the market.

(iii) Metering will not be compatible with the Central Electricity Authority (CEA) Metering Code.

b) The Addendum includes the following prayers:

“

(i) To treat this addendum as integral part of the original petition submitted by MSEDCL on Removal of Difficulties in Implementation of MERC SOP regulations 2014 (Case No. 138 of 2014).

(ii) To consider the concerns submitted above by the Petitioner in implementation of MERC (Standards of Performance of Distribution Licensees, Period for Giving Supply and Determination of Compensation) Regulations, 2014;

(iii) To amend the MERC (Standards of Performance of Distribution Licensees, Period for Giving Supply and Determination of Compensation) Regulations, 2014 as suggested by the Petitioner…”
5. Vide letter dated 7 October, 2014, MSEDCL submitted that it has forwarded a copy of its Petition to the five authorised Institutional Consumer Representatives (CRs). In addition to responses from some of them, the Commission received written responses from some authorised Individual CRs as well, and decided to consider them.

6. Vidarbha Industries Association (VIA), an Institutional Consumer Representative (CR), vide its submission dated 8 November, 2014, has stated as follows:
   a) The Petition should not be admitted since the Regulations were framed after considering suggestions and objections from consumers and stakeholders thrice.
   b) As regards MSEDCL’s areas of concern and proposed amendments, VIA’s comments are as below:
      (i) Definition of Express Feeder: Dedicated Distribution Facility is already included in the definition of Express Feeder. MSEDCL has started charging Express Feeder Tariff to all consumers on that feeder although it is not a dedicated feeder.
      (ii) Provision relating to control of Harmonics: The proposed amendment is not required since the SoP Regulations specify performance by the Licensee and not by consumers.
      (iii) Provision relating to System of Supply: The system of supply has been discussed a number of times in the State Advisory Committee and then finalized. MSEDCL wants the earlier version of the Regulation and to levy 2 % voltage surcharge.

7. Shri Siddharth Verma, an Individual CR, has submitted on 11 November, 2014 (through E-mail) that the Regulations have been notified only recently, in 2014, and were open for corrections for almost one and half years. The admissibility hearing ought to be cancelled for non-service of notices to Individual CRs.

8. Smt. Ashwini Chitnis of Prayas Energy Group, an Institutional CR, submitted on 12 November, 2014 (through E-mail) that all the CRs should be involved in the hearing on important Regulations.

9. Shri Ponrathnam, an Individual CR, has submitted on 12 November, 2014 (through E-mail) that any Order on this Petition can be passed only after conducting a Public Hearing.

10. At the admissibility hearing on 27 January, 2015, MSEDCL briefly reiterated its contentions, and stated that it had raised some of these issues during the process leading to the present Regulations also.
Commission’s Analysis and Rulings:-

11. Under Section 181(3) of the EA, 2003, all Regulations made by the Commission are subject to the condition of previous publication. Accordingly, the SoP Regulations, 2014 were notified on 20 May, 2014 after an extensive process, including public consultation, during which MSEDCL also gave its views. The Commission notes that MSEDCL has now approached the Commission for amendment of several provisions of the Regulations less than two months after their notification.

12. The SoP Regulations are not specific to MSEDCL but apply to all Distribution Licensees. Moreover, as pointed out by several CRs, any amendment in the Regulations can be considered only after due public consultation. In order to determine whether such further process is warranted, it is necessary to assess the prima facie merit of the issues and contentions raised in the present Petition and summarised at paras. 3 and 4 above. In this context, the Commission’s views on each of these are as follows:

a) Definition of Class-I Cities

Regulation 2.1(f) defines ‘Class-I Cities’ as cities with a population of a million or more as per the 2011 Population Census, or as may be defined by the Commission. There is no ambiguity in the definition, nor did MSEDCL raise this issue before it was notified. If any clarification is required, MSEDCL may note that the Census defines ‘cities’ as ‘statutory towns’ with a population above 1 lakh (as distinct from ‘Urban Agglomerations’). Population data of all such cities in Maharashtra are available in Census documents which are in the public domain and from which those cities with a population of a million and above can be identified. All such cities are co-terminus with the respective Municipal Corporations. No separate definition has been stipulated by the Commission outside the Census framework.

b) Definition of ‘Express Feeder’

MSEDCL seeks to add ‘Switching Station’ (in addition to sub-station) and connection to ‘a consumer or a group of consumers’ (instead of to a single point of supply) to the definition of ‘Express Feeder’ in Regulation 2.1(m). However, the Commission notes that the definition of ‘Express Feeder’ explicitly includes dedicated distribution facility (DDF), and that DDF is defined in Regulation 2.1(l) to include ‘a single consumer or a group of consumers’. Hence, the amendment proposed appears to be infructuous.

c) Control of Harmonics
MSEDCL has proposed that the onus of control of Harmonics should be placed on the consumer, in addition to the Distribution Licensee as at present, by amending Regulation 5.1(d). The Commission notes that Regulation 12.1 of the MERC (Electricity Supply Code Regulations and Other Conditions of Supply) Regulations, 2005 (‘Supply Code’) requires HT and LT Industrial/Commercial consumers to control Harmonics of their loads. Regulation 12.2 provides that

“...the Distribution Licensee may charge penalty or provide incentives for low/high power factor and for harmonics, in accordance with relevant Orders of the Commission.”

In its Order dated 24 December, 2012 in Case No 34 of 2011, the Commission had stated as follows:

“15. The Commission is of the opinion that for introduction of penalty, MSEDCL needs to analyze existing level of Harmonics in the system, causes and remedial measures for limiting the same. Further, MSEDCL needs to arrange program for creating awareness amongst the consumers about effects of Harmonics on the power equipments.”

The Commission has yet to receive the response expected from MSEDCL, and may consider it appropriately thereafter.

d) System of supply

The Commission notes that, when the present SoP Regulations were at the draft stage, MSEDCL had also suggested that the Contract Demand limits be lowered. However, the Commission finalised the present limits considering that, if a suitable voltage level is not available to the consumer nearby, supply can be given at the next higher voltage level. Further, with increasing demand, network development and reconfiguration is expected. Moreover, MSEDCL has experience of operating systems at such incremental loading as specified in the 2014 Regulations under the voltage surcharge mechanism.

In its Addendum dated 15 November, 2014, MSEDCL has submitted that the SoP Regulations provide for release of 100 kVA load on 33 kV level, which poses technical constraints and metering difficulties. Hence, the Regulations should be amended to provide that the minimum Contract Demand for release of load on 33 kV be 500 kVA. According to MSEDCL, Regulation 5.3 (a) (ii) read with 5.3 (a) (v) (reproduced at para. 3(d) of this Order) allow a consumer with Contract Demand of 80 kW/ 100 kVA to apply for a connection at 33 kV voltage level. However, a harmonious reading of Regulation 5.3 (a) (v) shows that load above 7500 kVA and upto 10,000 kVA is to be released on 33 kV. Subject to the provisos, there is no
question of load upto 7500 kVA being released on 33 kV. Hence, no amendment is required.

e) Restoration of supply on failure

MSEDCL seeks that the time limits specified for restoration of power supply in case of fuse-off calls be subject to availability/access to the consumer premises. The Commission notes that Regulation 8.1 of the Supply Code provides for access to the consumer premises as follows:

“8.1 Subject to the provisions contained in Part XII, Part XIV and Section 163 of the Act, the Distribution Licensee shall not seek entry to the consumer’s premises beyond the point of supply.”

The Supply Code defines “point of supply” as

“the point at the outgoing terminals of the Distribution Licensee’s cutouts fixed in the premises of the consumer:

Provided that, in case of HT Consumers, the point of supply means the point at the outgoing terminals of the Distribution Licensee’s metering cubicle placed before such HT Consumer’s apparatus:

Provided further that, in the absence of any metering cubicle or, where the metering is on the LT side of the HT installation, the point of supply shall be the incoming terminals of such HT Consumer’s main switchgear;”

Thus, upto the point of supply, the Distribution Licensees has clear access, and beyond that point is not its responsibility. Restoration upto the point of supply has to be carried out by the Distribution Licensee, and for that purpose the availability/access to the consumer premises should not be an issue. Hence, the Commission is of the view that no amendment is necessary.

f) Restoration of supply on failure of underground cable

MSEDCL has proposed that the time limits for restoration of power supply disruption due to underground cable faults specified in Regulation 6.3 may exclude the time taken for approvals from local bodies. While, unlike in the case of new connections or change in load, no specific provision has been made for this purpose, it is a basic principle that if the Licensee is restricted from taking timely action, even after due diligence, by statutory authorities, it would not be liable to be penalised on this account. MSEDCL has not indicated whether there are any instances of the Consumer Grievance Redressal Forum or Ombudsman taking a contrary view in the case of such delay in rectifying underground cable
faults. Moreover, strengthening/augmentation of the distribution network over time will address such difficulties, for instance by providing a ring system with operation in radial mode or restoring supply from LV load transfer. Hence, no amendment is required.

g) Re-connection of supply

The Commission notes that MSEDCL had raised the likely difficulties in meeting the revised time-limits in case of HT consumers, but that the Commission had not accepted it at that time. The Commission also notes that the time sought by MSEDCL in such cases (12 hours, as against 8 now specified) is half that provided in the earlier Regulations. While MSEDCL is seeking this relaxed dispensation only for HT consumers, the present Regulation does not differentiate between HT and LT consumers. Moreover, HT consumers are cross-subsidising consumers of tariff. Most of them are read through AMR and their bills are issued at a higher level by Circle offices which are the nodal offices for them. It is expected that MSEDCL would endeavour to provide them prompt service, particularly in Class 1 Cities where other facilities such as transport and manpower are not major constraints. Hence, the Commission is not inclined to reconsider this issue at present. However, if any public consultation process is undertaken by the Commission in future on issues concerning the SoP Regulations, MSEDCL may take this up again citing specific instances of any difficulties encountered by it.

The discrepancy cited by MSEDCL between the period (8 hours) specified in Regulation 6.10 and at Cl. 5 of Appendix A (4 hours) has been rectified vide Corrigendum dated 7 August, 2014 issued by the Commission.

h) Replacement of burnt meter

MSEDCL has proposed a proviso to specify the authority competent to determine if the consumer is not responsible for the burnt meter, viz. the Superintending Engineer and Executive Engineer of the relevant Circle/Division for HT and LT consumers, respectively. As mentioned earlier, the SoP Regulations are not Licensee-specific. The Commission clarifies that MSEDCL may decide who shall be its competent authority(ies) considering the purpose of the Regulation. No amendment is required.

As regards removing the reference to ‘tampering’ in the first proviso to Regulation 7.4, that reference is without prejudice to and independent of any action under Sections 126 or 135 of the EA, 2003 relating to unauthorised use and theft. Hence, no amendment is required.
i) Establishment of Call Centres

MSEDCL has asked that it be exempted from setting up Call Centres in different categories of areas, since it has a centralized Call Centre for consumer complaints. The Commission clarifies that Regulation 8.1 does not require that Call Centre(s) be physically located in the different areas, but that such facility or facilities should be able to deal with complaints from such areas within the time-lines specified, regardless of their number or where they are located. If a single centralised Call Centre can do so, the requirements of Regulation 8.1 are met (provided calls by consumers are toll-free or charged only at local call rates). Hence, no amendment is required.

The Petition of the Maharashtra State Electricity Distribution Co. Ltd. in Case No. 138 of 2014 stands disposed of accordingly.

Sd/-
(Deepak Lad) Member

Sd/-
(Azeez M. Khan) Member

Sd/-
(Chandra Iyengar) Chairperson