

Press Note

1. Taking serious note of media reports highlighting surge in recent electricity bills and complaints regarding billing by consumers of Adani Electricity Mumbai Ltd (Distribution Business) (AEML-D), in Suburban Mumbai, the Commission sought explanation from AEML-D on 4 December, 2018.
2. Accordingly, AEML-D has explained as under:
 - a. There was indeed an increase in electricity bills of November 2018 due to prolonged high temperature and high humidity levels in October, 2018. Overall about 15% more electricity units were consumed as compared to previous month. Such increased consumption pushed the residential consumers progressively to tariff slabs of higher consumption level having relatively higher rates. In addition, there were past dues of FAC, part of which were also recovered in the bills. Simultaneous impact of all these factors increased the electricity bills. About 1.10 lakhs residential consumers out of 27 lakhs consumers of AEML-D got the bills with about 20% increased amount on an average.
 - b. Regarding billing of consumers on average basis, there was strike by the billing employees during the initial period of changeover of ownership of Distribution Licences from Reliance Infra to AEML from 27 August, 2018 to 1 September, 2018 pressing their old demand with new owner. As meter reading of consumer was not available, around 3.53 lakhs bills of residential consumers were issued on average (assessed) consumption basis. However, such assessed consumption were adjusted based on actual meter reading for the month of October, 2018. Thereafter, billing is being done on actual meter reading.
3. The Commission, prima facie, feels that increase in billed consumption for October 2018 appears to be unduly high this year. It would need more detailed enquiry to verify the explanation of AEML-D. For example, what has been the impact of weather conditions on the energy consumption profile of other Distribution Licensees in Mumbai especially on the low end residential category consumers and the practices being followed by different Mumbai Distribution Licensees with respect to levy of FAC particularly for claiming past dues etc. and issuing bills on average consumption basis.
4. The Commission needs to safeguard the interest of all the Consumers, particularly those who are affected by sudden increase in electricity bill. In this context, the Commission deems it fit to appoint a Fact Finding Committee to go into, inter alia, the reasons for the sudden upsurge in the consumption / other reasons which might have led to increase in electricity bills in Mumbai and Mumbai Suburbs and recommend corrective steps, if any, to ensure that such incidence of sudden hike in electricity bills do not recur. The Committee would consist of two Members.

5. However, in the interim, in addition to the steps taken by AEML-D, the Commission directs AEML-D to take following steps immediately so that desired impact becomes apparent from the next billing cycle beginning 10 December, 2018 :
 - a. AMEL-D shall verify metered consumption of the consumers who have been billed significantly more of their average consumption.
 - b. If any excess billing is found out, the same should be refunded to the consumers along with admissible interest as per Regulations.
 - c. Organize special camps for addressing consumers complaints related to excessive billing. Provide adequate publicity about such camps.
6. **All these measures are meant to ensure that all Distribution Licensees including AEML-D shall not increase the amount of electricity bills beyond rates and levies approved by the Commission.**