

financed through equity and loans. Accordingly, APTEL has calculated net fixed assets at Rs. 7646.58 crore after excluding consumer contribution and grant and subsidy towards cost of capital. Diversion of funds may be tried up based on APTEL formula to correct the above estimate and only thereafter the interest on existing loan should be allowed.

#### **A. Specific suggestions**

##### **❖ Closing down old GGSSTP plant to create demand supply balance to reduce overall average cost of supply**

As demand for electricity is not likely to see significant increase overall in the State though some segments like LS segment may grow by 6%-7%. PSPCL that 4 Thermal units (Commissioned during 1988 to 1993) to remain operational to cater paddy season demand and cost about Rs.1380 crore with average generation cost as Rs.12/unit. It would help in saving Rs.1000 crore after adjusting employee cost for the transition period of one or two years. PSPCL may be asked to submit a detailed plan for the same.

##### **❖ MOD operation of PSPCL Plants**

GGSTP plant's variable cost as approved by PSERC is lower but when power is to be scheduled on monthly MOD basis, the variable cost of GVK plant is found to be lower. As a result, power is drawn from GVK power plant. The comparison seems to be drawn between GGSSTP plant variable cost as worked out by PSPCL and not as approved by PSERC at the time of MOD. GVK plant is a negotiated tariff plant and need to be continued based on competitive power bidding only. Cheaper power from other sources may be explored to reduce the power cost of Discom.

##### **❖ Reducing finance cost of Discom**

PSPCL has claimed interest on working capital about Rs.6657 crore as on 31<sup>st</sup> March 2020. Interest rate as claimed by PSPCL on an average is taken as 11.50%. Therefore, it is submitted that PSPCL may take advance for future electricity bill from consumers at a rate of interest of 8.5% and may save interest of about 2.5% to 3%. Interest rate of 8.5% is based on 3 years average SBI MCLR, which works around 8% and therefore 50 points are added to make it attractive for depositors.

❖ **Allowing bank guarantee and refund of security consumption deposited**

As an exercise of *Ease of Doing Business* in electricity related business in Punjab, industrial consumers may be allowed to deposit security consumption in the form of Bank Guarantee.

❖ **Threshold consumption and TOD scheme be continued**

Threshold consumption and TOD scheme may be continued for the industry in the State as it has given rich dividends to the Discom.

❖ **PIU tariff may be fixed at par for general industry in case PIU consumer controls harmonics within limits prescribed by PSERC Harmonics regulations. There is no reason for having a differential tariff.**

❖ **One time settlement of long pending legal cases to reduce litigation burden**

It is to mention that PSPCL is engaged for years in litigation. Some arrangement of Lok Adalat can be worked out with the help of PSERC, Ministry of Power, Punjab and PSPCL. All disputes of commercial nature more than 5-7 or 10 years old may be taken to such forum for settlement. Delhi Discom experience is worth mentioning, where the Discom has sorted out more than 3000 cases in special court set up by Delhi Legal Service Authority-DLSA.

❖ **Supply Code amendment proposed by Discom**, in case of industrial consumers, Bank Guarantee (BG) in lieu of Security (consumption) may be permitted. The matter may be discussed in the Supply Code Review Panel meeting, It was further submitted that the proposal for amendments in the Supply Code should be accompanied by the relevant Regulations of other States as well as international practices on the subject to give better insight to the members for making effective contribution.

3. **Sh. Bhagwan Bansal - President, Punjab Cotton & Ginners Association, Muktsar** has given the following suggestions.

- Power-com should immediately file a petition for early clearance of MSME OTS policy to revive sick units. CMD, PSPCL directed the concerned officer to file the petition at the earliest.
- Cotton ginning and oil mill is a seasonal industry and fixed charges for nine months are difficult to be paid since, cotton crop production has fallen in

Punjab. In the year 2007-2008, there were around 422 units operational and now only 72 units are there. The suggestion is to fix a fourmonth period and make MMC compulsory for rest of the period on actual consumption. There is a need to change the old methodology to charge tariff on cotton ginning industry. Farmers are interested to grow paddy and basmati and not cotton crop.

- On a trial basis, shift one grid from within the old city to outside the city by using extra modern techniques in the grid. City land be auctioned with the help of PUDA or PPP public privatization participation be encouraged. PSPCL will be benefitted by such monetisation.
- Every year, 10 divisional/Sub-Divisional offices be modernized with latest facilities like new computer, furniture AC's and good sitting arrangements for public. Simultaneously, every year twenty offices should be modernized at rural areas.
- If we plan to install smart meters for urban areas why not smart offices at Distt. H.Q. can also be set up.
- Chief Engineers' level Committee (Zonal level) comprising of SE/XEN/SDO's be empowered to decide commercial matters amounting to Rs.2-5 lacs. Public should not be harassed for any dispute relating commercial/financial matters.
- PSPCL should not charge interest @ 18% when RBI reduced the rates of interest on Fixed deposits/CC Limits/ Housing loans/Term loans/Business loans. It should be reduced to 12%.
- Documentation for new connection for Industry should be minimized and simplified for public convenience.

**4. Er. P.S. Viridi, President, The Consumers Protection Federation(Regd.) Mohali**

His comments were as under: -

- Most of the consumers in the State are getting free electricity. It would be reasonable to consider only small farmers (up to 2.5 to 5 acres) for subsidy and not medium & rich farmers with 5 to 10 acres of land & above. These freebees lead to misuse of power for houses, AC's, heaters, more than one motor and also misuse by way of sale of water. Subsidy should be in the form of units through meters & not for free connections. Each farmer be charged for extra consumption. Out of 14.5 lac tube wells connections having free power in Punjab, small farmer beneficiaries are only 19% and 81% are larger/rich and Medium farmers. The Commission should watch the interests of other consumers as well as PSPCL.

- Illegal Tube well connections add additional load on Pb. Govt. exchequer. Recently, more than 100 illegal tube well connections were caught during checking/raid, in Bathinda District alone, where some old documents have also been found tampered with and missing. This practice should be curbed.
- Huge amount is still pending against the various Departments of Punjab Govt. The financial position of the Corporation would improve if these are recovered by PSPCL by taking requisite steps.
- T&D losses in certain pockets of the State are on the higher side. To control the same, the help of local Welfare Associations at the district level may be taken.
- Punjab Govt. is encouraging Solar power. On the other hand, PSPCL is harassing by not issuing proper Bills to Solar power consumers and other domestic consumers in Mohali from the last one year or more. This requires attention.
- The burden of installing smart meters should not be passed on to the consumer

**5. Dr. Sat Bhushan Pandhi, Ludhiana:--**

- i. He thanked PSPCL for un-interrupted power supply to Consumers during COVID period despite non-payment of electricity bills due to loss of business during the lock-down. However, during COVID period, PSPCL had sent N-code bills to commercial and industrial units based on Corresponding month consumption of the previous years. Collecting huge amounts from consumers by applying this formula, was not a right step as all commercial and industrial activities came to a standstill during this lock-down period. This un-due harassment by imposing high amounts of arrears, could have been avoided by PSPCL. Now to rectify it, PSPCL be asked to check and correct all such bills issued during COVID period and should adjust the excess amounts so paid in the current bills of consumers.
- ii. During lock-down, Tentative bills on N-code basis were uploaded on the portal which showed "High readings" in the columns of "Current Reading". This fictitious and provisional reading of a consumer, later on can create a mess when his O-code bill is uploaded in which Actual Current reading is less than the Current reading shown in his previous month's N-code bill. In such cases, sometimes, PSPCL imposes unreasonable cases of theft on the consumer claiming that consumer has reversed his meter with the help of the meter reader or so. It is suggested that **"In N-Code bill, column of current reading**

**should be kept blank** and number of units consumed should be taken in round figures, say 400 units or 500 units roughly as per consumption in the immediate previous bill. Later on, when the O-code bill is generated, **the difference between the two consecutive O-Code bills with actual readings, should be taken as the actual total consumption** during N-Code bill period, and adjustment of the previously received amounts during N-Code bills be adjusted in this last O-Code bill.”

- iii. When a particular amount is deposited by a consumer in a particular month as advance or as regular payment, this amount does not tally with the amount shown in Previous Adjustments column "F". Billing department should make it sure that these two figures should match EXACTLY with each other.

Looking at the above points, it is suggested that the Bill Making Software MUST be changed and updated immediately.

- iv. PSPCL has shifted most of the meters to outside the premises of consumers. However, in the bills of some consumers, the status of the meter location is found different. For this, Meter readers should be asked to cross check location status of meters and get the corrections made in cases where the meter location is found different.
- v. Meters are the property of the PSPCL and these meters have been installed outside the premises by PSPCL at their own. PSPCL should take care of its property and responsibility of it should not be passed over to consumers. PSPCL is charging meter rent from the consumers. When a meter is burnt/damaged, PSPCL should replace the same immediately. For replacement of such burnt meters, PSPCL have no right to charge cost of burnt meter from the consumers and this mal-practice be stopped.
- vi. PSPCL is planning to install Smart Meters. If PSPCL is going to charge an amount of Rs.7000/- per meter from the consumers, then monthly rent for these meters should not be charged from the consumers. Otherwise, PSPCL to continue charging meter rent as before. PSPCL has no right to charge cost of these smart meters from consumers since the same will be merely replacement of old electronic or static meters with Smart meters for up-dation only.
- vii. To give some genuine relief to consumers, there is a need to revise the Fixed Charges formula. The electronic meters give MDI reading which indicates the Maximum Load availed in between two consecutive bills. Instead of calculating

Fixed Charges on the basis of the Sanctioned Load, it should be calculated on the basis of Maximum Consumed Load in a particular bill period. This formula is obviously a more appropriate and more genuine formula and will make the consumers happy.

- viii. CGRF was made functional at Ludhiana in 2019. It has been seen that most of the cases were awarded in favour of PSPCL itself. It is felt that such the Chairman of CGRF and the members are mostly from PSPCL's own departments, judgements are sometimes biased and genuine consumers do not get justice. It is suggested that these members should be selected from other departments, or from some related NGOs.
- ix. Sometimes it has been seen that some unreasonable theft cases are also imposed on some consumers and FIR is also lodged immediately against the consumer. When an FIR is lodged, consumer has to deposit a compounding fee of Rs.25,000 immediately. Further, in such cases, consumer cannot go to Consumer Courts but he has to file case in the Special court by hiring an advocate by paying huge amounts. Also, the consumer has to deposit 50% of the disputed amount before filing the case. It is suggested that if a case is proved as a fake case, the concerned JE or senior officer should be made accountable and since some clause should be made for imposing heavy fines on the concerned staff and officers for un-necessarily harassing a genuine consumer.

**6. Kamal Dalmia, Chairman, Focal Point Industries Association, (Regd) Amritsar,**

He made the following suggestions in writing:

- **Increase in Electricity Tariff.**
  - Every year PSPCL submits data for increase in tariff rate but never requested that tariff to be reduced. To increase power tariff due to inefficient working of PSPCL is not the solution. The power rate of PSPCL is higher as compared to rate of other states. The Industry has to compete with other states. If our cost of production will be more, we will be unable to sell the product which will ultimately lead to closure of the Industry.
  - Punjab Govt. is not making timely payment to PSPCL against the free Electricity Supply. This is also going to impact on the cost of electricity.
  - There should be another Power Supplier in Punjab for Healthy Competition with PSPCL.

➤ **Single Point Supply Consumer to sign Franchisee Agreement.**

- As per CC 58/2016 dated 14.12.2016, Single Point Consumer has to sign Franchisee Agreement with PSPCL. As per the Circular, A & A Form is to be submitted to PSPCL by the Franchisee for every consumer.
- Officials of PSPCL are not clear about the CC58/2016 dated 14.12.2016 and particularly about clause 3 of the Memo 593 – 597 dated 30.05.2017 attached to Circular 8/2018 dated 13.02.2018. The PSPCL is recovering the amount from the Franchisee as per reading of the main meter. As per Franchisee Agreement, the franchisee is to recover the amount from the consumer as per Category & Tariff applicable to consumer.
- PSPCL officials are issuing letter to Franchisee to issue bill to consumer as per format issued by PSPCL whereas PSPCL has not signed the agreement so far.

➤ **Decision of Consumer Grievance Redressal Forum (CGRM).**

- It has been observed that decisions of Consumer Redressal Forum are not implemented within the scheduled time of 30 days in a number of cases and remain pending for months together.
- Further, in order to ensure independence of the CGRF, independent Members should be taken in the CGRF. CGRF should submit implementation report to the Regulatory Commission every month.

➤ **Unpaid Electricity Bills to be adjusted against Security Deposit.**

- A number of consumers have closed their business and surrendered electricity connections due to COVID-19/financial constraints, being unable to pay the bills. They have requested PSPCL to adjust their outstanding bills against security deposit whereas PSPCL is pressuring for clearance of outstanding amount against unpaid bill. Unpaid bill should be adjusted against the Security Deposit.

➤ **Speaking order by Dispute Settlement Committee.**

- Dispute Settlement Committee should pass clear & speaking order without any ambiguity. Financial quantum should be properly spell out so that it should not take time in implementation level. The Order should be easy to understand and so that its interpretation is not according to their sweet will and understanding.

➤ **Updating of Security Deposit in the records of PSPCL.**

- Security already deposited with the PSPCL needs updating in the record. The

consumer is entitled to interest on the security as per Supply code 2014. The Chief Engineer Commercial, Patiala has issued MemoNo. 1038/43 dated 15.05.2019 and Memo No. 49/54 dated 08.01.2020 in which clear instructions were given to update security deposits in the PSPCL records within three months, which has not been done till date. Instructions should be implemented strictly so that consumers get interest on correct security deposit at the end of every year.

➤ **Penal Interest on delayed payments by PSPCL.**

- Supply code 2007 & 2014 provides for payment of interest. For any delay in payment of interest, the distribution license holder has to pay interest at twice the Base Rate of State Bank of India (SBI) for the delayed period. Consumer Grievance Redressal Forum has disallowed the payment of Penal Interest keeping in view of the decision in Appeal No. 45/2018 by the Court of Lokpal (Ombudsman). Whereas on the other hand, PSPCL is charging penal interest. If the consumer fails to make payment in time. penal interest should also be paid to the consumer for the late payment of interest by the PSPCL, since PSPCL is charging penal interest.

➤ **Prepaid Electricity Meter.**

- Prepaid Electricity Meters are to be installed for all category of consumers in phased manner and rebate to be given to all such consumers as mentioned in electricity policy of the Central Govt. & Supply Code 2014.No Security Deposit is required from those consumers who opt for the prepaid electricity meters. There are number of consumers who are interested to opt for the said meters but no action has been taken in this regard till date by PSPCL.

➤ **RTGS/ On line payments.**

- Payments made on the last day through RTGS/Online by the consumer, is debited to their account on the same day by the bank whereas it is credited by PSPCL in the account of the consumer on next day after getting confirmation from the bank. Accordingly, bill remains unpaid on the last day (due date) & penalty is levied for non-payment whereas payment has been made in time. In such cases, no penalty should be levied. Further, PSPCL should work out some system that payment is credited to consumers account on the same very day.

➤ **Sub-station at Old Focal Point, Amritsar.**

- There is a long pending demand for Sub-station at Old Focal Point, Amritsar



despite the fact that one plot is lying reserved for this purpose for the last 30 years. PSPCL should build the sub-station without any further loss of time for uninterrupted electricity supply to Industry.

➤ **Wrong Billing.**

- Wrong billing is very common in PSPCL. Records are not corrected even after making numerous requests, in writing. In certain cases, bill is rectified manually and payment of that bill is accepted. However, official record is not properly updated. Penalty is imposed in the subsequent bill leading to lot of harassment and litigation to the consumers in getting refund. This should be looked into.

➤ **Improve Working/ Efficiency.**

- Loss to PSPCL due to their inefficient working/ pilferage leads to increase in cost of electricity generation which is ultimately recovered from the consumers. PSPCL should improve its working with the help of experts and minimize its losses. Comparative Cost Study should be made and loop holes should be plugged which leads to huge losses. Increasing the rates every year is no solution.

➤ **Frequent Interaction with Consumer.**

- Chief Engineer & SE should have regular meetings with consumers to know their difficulties & solve their problem(s) on the spot or at the earliest.

➤ **Block Disputed Amount.**

- The disputed amount is automatically added to the regular bill without giving any notice to the consumer. Once the amount is added to the bill, only option left with consumer is to pay the bill. In case of non-payment of bill, interest/ penalty is charged till bill is paid. It is suggested that in case of disputed amount, notice should be issued to the consumer. Further till a decision is taken, the amount should not be charged in the bill.

➤ **Cost of Distribution Sub-station Transformer.**

- As per the supply code, in case of LT Category of connection no cost of transformer shall be charged whereas the PSPCL is charging the same from the consumer.
- It was brought out that although the developers have submitted the signed franchisee agreement but these have not been received back after signing of the

agreement by PSPCL officer.

- The security (consumption) is not being updated by PSPCL and in some cases interest is not paid.
- PSPCL should be directed to introduce pre-paid metering.
- No penalty shall be imposed if a consumer makes the payment through digital means before due date.
- Healthy competition needs to be introduced in the power sector.

**7. Sh. Nitin Bhatt, Regional Manager(Punjab/Haryana, Chandigarh) Energy Efficiency Services Limited, Noida has brought out that:-**

- Energy Efficiency Services Limited (EESL), a JV set up under the Ministry of Power, Govt. of India, is a Super Energy Service Company (ESCO), which enables consumers, industries and governments to effectively manage their energy needs through energy efficient technologies. EESL has always been driven by the passion for enabling transformative and innovative solutions.
- Govt. of India is launching a scheme to provide 3 LEDs bulbs per house hold @ Rs. 10 per bulb in the villages. It was further informed that EESL shall be distributing 7-star air conditioner at a discounted price of 20% and the energy saving upto 30% shall be achieved
- In the back-drop of Covid-19 and other communicable infections in the country, there is currently a need to look at ways to improve indoor air quality in public buildings. Most of the work-force in our country spends nearly 80% of their time confined to indoor spaces where the indoor air quality maybe as bad as 10 times worse than outdoors. Scientific studies have linked poor IAQ with poor analytical and cognitive behavior of people and Environment Protection Agency (EPA) lists poor IAQ as one of the top 5 reasons for poor public health.
- As part of our endeavor to develop sustainable solutions for clients, a nationwide program termed as RAISE - acronym for Retrofit of Air-Conditioning to improve Indoor Air Quality (IAQ) for Safety & Efficiency has been initiated to cater to the growing concerns of poor IAQ in public buildings. RAISE program has been successfully implemented at our Corporate office in Scope Complex where improvement in indoor air quality to the extent of 90% has been reported. Through RAISE, EESL not only enables safe and cleaner working environments for valued customers but also enable them in

achieving energy savings through be-spoke solutions such as equipment retrofits, fine-tuning the air- conditioning system amongst others. RAISE program was launched on 20th July 2020 by Hon'ble Minister of Power, Govt. of India.

- The main objectives of RAISE are to enhance ventilation system, augment filtration system, use UVCGI lamps for circumventing microbial growth and real time monitoring of key IAQ parameters. The project is currently being implemented at NTPC Corporate office, Scope Complex.
- EESL strongly believe that RAISE program will be pivotal for children & staff to act as ambassadors for promoting good IAQ and energy conservation.
- This information should made available to all Govt. departments of Punjab so as to implement this project. For Financial & Technical information about the scheme, representatives of EESL remain always available for service.

**8. Sh. Rohit Bajaj, Indian Energy Exchange**

- The representative of Indian Energy Exchange highlighted the benefits of Real Time Market (RTM) and Green Term Ahead Market (GTAM) and listed out the opportunities for optimization of power purchase cost through power point presentation.

**9. Sh. Vijay Talwar, Vice President Laghu Udyog Bharti:- He stated as under:-**

**A. Non-compliance of regulations, orders, directions issued by PSERC:**

- He suggested that action should be taken by the Commission to ask the Distribution Licensee to honour the orders/directions and Regulations issued by the Commission from time to time by exercising their powers vested under Electricity Act-2003.

**B. Cost of inefficiency should not be passed on consumer tariff:**

- Hon'ble Punjab and Haryana High Court in CWP No.20687 of 2016 decided on 03-10-2016 has held that "the Commission has been constituted to keep watch on the working of the electricity generating and supplying companies so that they are efficient in their working and do not pass on the cost of inefficiency to the consumers".
- In a majority of cases decided by Hon'ble Punjab and Haryana High Court, CGRF (Patiala), CGRF (Ludhiana), Ombudsman (Electricity Punjab), Civil

Courts, CDSC, ZDSC, DDSC, Permanent Lok Adalats, Consumer forums etc. It has been held that due to negligence of PSPCL officers / officials for not following the Regulations, Instructions and Act, quashed / set-aside / reduced the demand raised against consumers by stating that consumer can't be penalized for not following statutory provisions and duties by PSPCL officers / officials and directed to take action on delinquent officers / officials. However, instead of taking action against the delinquent officers / officials of PSPCL for recovering the loss suffered by PSPCL, this loss is burdened on consumers by increasing the tariff. All the orders passed by Hon'ble Punjab and Haryana High Court, CGRF (Patiala), CGRF (Ludhiana), Ombudsman (Electricity Punjab), Civil Courts, CDSC, ZDSC, Permanent Lok Adalats, Consumer forums etc. should be scrutinized and loss suffered by PSPCL due to violation of Act, Regulations and Instructions of PSPCL should not burden the consumer.

**C. Violation of supply code regulations, orders and directions issued by Hon'ble Commission causing loss to PSPCL, avoidable harassment to consumers causing unwanted increase in tariff:**

- As per Supply Code Regulations (2014), in cases where PSPCL fails to release new connections or extension in load / demand beyond the period as specified in Regulation 8 of Supply Code Regulations (2014), it is mandatory for the distribution licensee to pay interest on Security Works for the period of delay at SBI base rate prevalent on first of April of relevant year plus 2%. In many of the cases, PSPCL is not releasing the connections in time and is also not implementing this instruction, which causes not only harassment to the consumers but also causes financial loss to the consumers as well as to PSPCL. Otherwise also this is a big reason for not utilizing surplus power ultimately resulting unnecessary increase in tariff rate.
- The Commission has passed orders to implement the provisions of Supply Code Regulations (2014). However, PSPCL is not preparing detailed accounts even after release of connection. There may be some cases in which PSPCL has spent more expenses than Security Works deposited and there can also be many cases where actual expenses are less than Security Consumption. PSPCL is violating this clause.
- As per Supply Code Regulations (2014), it is mandatory for PSPCL to standardize Application & Agreement (A&A) Form for various categories of

consumers with the approval of the Commission. However, PSPCL has not sought any approval till now. PSPCL should be directed to adhere to Supply Code Regulations (2014) Clause 5 and should get A&A (Application and Agreement) Form approved.

- As per Supply Code Regulations (2014), PSPCL has the option to appoint a franchisee, but Application and Agreement (A&A) Form applicable for franchisee is to be approved by the Commission as per Supply Code Regulations (2014) Clause 5. The same Form has not been approved by the Commission.
- This clearly means that, franchisee is to distribute electricity on and on behalf of distribution licensee in a particular area within the distribution area of supply. Thus, no franchisee can distribute electricity beyond the area allotted to him and franchisee can't charge in excess of tariff approved by the Commission. PSPCL should get franchisee Application and Agreement approved from the Commission and ensure that, every person who is owner/occupier of any premises in the area of franchisee (colonizer) should get electric connection under the provision of section 43 of electricity act 2003 and shall get the same facility, service and tariff as is applicable to other consumers in the area of distribution licensee.
- It is mandatory for PSPCL to refund / adjust excess Security Consumption to consumers under the provisions of Supply Code Regulations (2014). However, PSPCL (Distribution Licensee) is neither updating Security Deposit on consumer bills nor adjusting excess Security Consumption. Suitable compensation for such type of deficiency in service be provided in Standard of Performance Regulations.
- As per Supply Code Regulations (2014) Clause 16. Security Consumption for 1.5 months consumption is required to be deposited by every consumer. Net sale of energy is shown as Rs: 34,304 Crore in Tariff Petition. Thus, 1.5 – month Security Consumption comes to Rs: 4,288 Crore. But PSPCL is not showing correct Security Consumption in Tariff Petition. Further no interest on working capital should be allowed for the sale amount of electricity equal to 1.5 months sale.
- As per Supply Code Regulations (2014) Clause 17, it is mandatory for PSPCL to pay interest on Security Consumption/ Security Meter at bank rate and to

credit the same in the account of consumer annually on 1st April each year by adjusting/ paying the same in 1st bill raised after 1st April every year. However, PSPCL is neither following this instruction, nor paying penal interest as per Supply Code Regulations (2014). The Chief Engineer/Commercial also reiterated same time and again through various memos. However, the requisite instructions are not being complied with, resulting number of cases coming to Hon'ble Punjab and Haryana High Court, CGRF (Patiala), CGRF (Ludhiana), Ombudsman (Electricity Punjab), Civil Courts, CDSC, ZDSC, DDSC, Permanent Lok Adalats, Consumer forums, Audit Committees etc.

**D. Violation to the meter Regulations (2006) and supply code Regulations (2014) made under the act**

- As per Section 55 of Electricity Act 2003, it is mandatory for PSPCL (Distribution Licensee) to supply electricity (Sell Electricity to Consumers) by installing a correct meter in accordance to the regulations to be made by the authority (Central Electricity Authority) constituted under the provisions of Electricity Act 2003. But PSPCL (Distribution Licensee) is violating the Meter Regulations (2006) asunder:
- As per Section 4 of Meter Regulations (2006) it is mandatory for PSPCL (Distribution Licensee) to install static meters. But even after a lap of 15 years, Distribution Licensee fails to install meters as per Section 4 of Meter Regulations (2006), despite directions given by the Commission in every Tariff Order, Instructions notified by Distribution Licensee in their Sales Regulations, Electricity Supply Regulations, Electricity Supply Instructions Manual and Commercial Circulars. Distribution Licensee also admitted 75% losses in many divisions of PSPCL in the areas where old mechanical meters still exist which need to be replaced immediately with static meters U/S 4 of Meter Regulations (2006).
- As per Meter Regulations (2006) and Supply Code Regulations (2014), it is mandatory for PSPCL (Distribution Licensee) to take immediate action to get accreditation of existing meter testing laboratories from NABL, if not already done. Despite having passed 15 years since the date of Meter Regulations (2006) came in force; PSPCL (Distribution Licensee) has not got the accreditation of their existing meter testing laboratories from NABL. This inefficiency of PSPCL (Distribution Licensee) is causing huge loss to the state exchequer resulting unnecessary increase in tariff rates.

- As per Section 18(2) of Meter Regulations (2006), it is mandatory for PSPCL (Distribution Licensee) to test consumer meters above 650 volts with its entire metering system including CTs, VTs through NABL accredited mobile laboratory at site. Section 18(2) of Meter Regulations (2006) states that “The testing for consumer meters above 650 volts should cover the entire metering system including CTs, VTs. Testing may be carried out through NABL accredited mobile laboratory using secondary injection kit, measuring unit and phantom loading or at any accredited test laboratory and recalibrated if required at manufacturer’s works”.
- PSPCL (Distribution Licensee) has no NABL Accredited Mobile Laboratory for testing meters above 650 volts at site as per procedure laid down in Meter Regulations (2006). All the connections above 650 volts are on HT/EHT supply and are big consumers. Non testing of their meters as per schedule prescribed in Supply Code Regulations (2014) and Meter Regulations (2006) is also cause for loss of revenue to PSPCL (Distribution Licensee) by losing the court cases.
- The Commission should watch the interest of consumers and pass orders after prudence check from all angles as per the Act and the Regulations after scrutinizing Tariff Petition and should get the Orders, Directions and Regulations implemented by exercising their powers vested under Electricity Act– 2003 in the interest of consumers, transparency and fairplay.

**10. Director Local Government Punjab: Submitted that :**

**“Comprehensive review of the provisions governing supply Electricity to the residential colonies”**

The Commission is receiving a number of petitions and complaints from the stakeholders regarding problems being faced w.r.t. Supply of electricity to the residential colonies covered under PSERC Regulations 6.6.1 and 6.7 of the Supply Code, 2014. Due to disputes between the developers and PSPCL on various issues, the consumers are facing lot of hardship in getting the new electricity connections and regular quality supply in some of these colonies. The Commission intends to carry out a comprehensive review of the provisions of the Regulations/instructions and procedure governing supply of electricity of these colonies. The members of State Advisory Committee may submit their views/comments on the issue.” Hence it is suggested that the consumers/applicants who are constructing their Houses/Buildings after taking necessary approval from

the Local Authority/ULB should be granted new electricity connections and regular quality supply should be ensured by the PSPCL as per procedure irrespective of any dispute between the developers and PSPCL in public interest.

**11. Sh. A. Venu Prasad, CMD/PSPCL**

While welcoming the feedback and suggestions of the Committee members CMD PSPCL stated as under:

- Long term loans have been converted from high-rate interest to low-rate interest and PFC has upgraded PSPCL rating from A to A+.
- Last year PSPCL was in loss, however the current year is expected to end in profit making because of the reduction in cost of borrowing and reduced cost of power purchase.
- PSPCL is an active participant on both power exchanges (IEX, EXIL). The problem in Punjab is mainly due to the consumption curve. The load varies from 3000 MW in winter to around 13000 MW in the Paddy season resulting in higher cost of power and fixed cost. With this type of load, it is difficult to optimize the generation capacity of own sources and Power procurement from other sources. Since, the TTC limit of Punjab is 6500 MW and even though the power is available in exchange in summer at lower rate. PSPCL cannot import more because of TTC limit as such Punjab requires generation of power within Punjab to meet the paddy season demand. However, efforts are being made to reduce the fixed cost. PSPCL is working on low Cost solar energy provision for Punjab State and a tender of 500 MW is being floated soon.
- Punjab Govt. has paid full subsidy for the current year but the arrears of previous years is pending.
- Shortages of manpower are being looked into. PSPCL is recruiting 1500 LDCs and 500 JEs who are likely to join in the month of February 2021. This shall result in proper upkeep of feeders resulting in better quality of Power for Consumers.
- PSPCL is making all out efforts for curbing malpractices, theft etc. to reduce T&D losses and recover arrears. Awareness camps for the consumers are stated to be organized.
- There is almost 'nil' growth in power consumption.



- It is mandatory that all new AP connections are released with five star rating motor.

The Chairperson thanked all the members for their valuable comments and suggestions.

The meeting ended with a vote of thanks to the chair.