

F.11(548)/DERC/2009-10/C.F.No.2373

14557

February 01, 2011

Petition no. 05/2010

To,

BSES Rajdhani Power Ltd.0

Through its: **CEO**

BSES Bhawan

Nehru Place

Delhi-110 019.

BSES Yamuna Power Ltd.

Through its: **CEO**

Shakti Kiran Building

Karkardooma

Delhi-110 092.

North Delhi Power Limited

Through its: **Managing Director**

Sub-Station Building

Hudson Lines, Kingsway Camp

Delhi-110009.

The Chairperson

New Delhi Municipal Council

Palika Kendra

Sansad Marg

New Delhi - 110 001.

Sir,

The Hon'ble Appellate Tribunal for Electricity (ATE) vide its Order dated 09.12.2010 in Appeal no. 139/2010 and in the matter of North Delhi Power Ltd. Versus Delhi Electricity Regulatory Commission has modified the Commission's Order dated 08.04.2010 to the extent that the minutes of the joint meeting held on 03.12.2010 between the officers of the Commission and NDPL shall form part of the above Order of the Commission.

2. The operative part of the Minutes of the Meeting dated 03.12.2010 on the subject matter is reproduced as under:

"It was mutually agreed that these issues will be comprehensively addressed in the revised Standard of Performance Regulations being framed by the State Commission. However, pending issuance of the Regulations, a procedure have been agreed as laid down in the agreed Minutes of the Meeting."

As per the Minutes of the Joint Meeting, following shall be adopted by the Licensee:

- (i) Where energy meters have provision for recording the maximum demand, the average of the 3 highest maximum demand readings recorded by the consumer during the 12 month period from April to March (rounded off to the next higher whole number) would be adopted to revise the Sanctioned Load. For such consumers, the security deposit would be revised accordingly on the above basis. First such period shall be April 09-March 10 and the revision shall take place during the current FY.

- (ii) Where the energy meters of the consumers do not have MDI, the Commission shall evolve appropriate guidelines in the Regulations bases on the analysis of data to be submitted by Power Utilities. The utilities shall provide information regarding the average kWh/KW for the 12 month period April to March of 2009-10 for consumers having meters with maximum demand indication for the above analysis."

So, in light of the above order of the Appellate Tribunal all the distribution licensees are directed to comply with the decisions taken in the joint meeting dated 03.12.2010 on the above subject till the above issue is comprehensively addressed in the revised Standard of Performance Regulations by the Commission. (Copy of the Minutes of the Joint Meeting is attached as Annex 'A'. The copy of the Appellate Tribunal Order is attached as Annex 'B'.

This issues with the approval of the Commission.

Encl: As above.

Yours' faithfully,


(Sunita Yadav)
Secretary

Minutes of Meeting held with NDPL in Delhi Electricity Regulatory Commission, Malviya Nagar, New Delhi on 03.12.2010 at 12.00 Noon

In compliance with the directions of the Hon'ble Appellate Tribunal for Electricity vide Order dated 23-11-2010 passed in relation to the Appeal No. 139/2010 titled as "North Delhi Power Limited versus Delhi Electricity Regulatory Commission" a meeting was held amongst officers of NDPL and DERC at the Commission's Office to discuss and deliberate on the issues involved and for resolving the matter. The Hon'ble ATE has directed as under;

"Heard both the parties. Both the parties have agreed to work out a procedure for additional security from the existing consumers. Accordingly, they are directed to submit an agreed procedure on or before 07.12.2010."

2. The following officers were present in the meeting;

DERC

- i. Smt. Anjali Chandra, Executive Director (Engg./Tariff)
- ii. Sh. K.K. Verma, Jt. Director (Engg.)
- iii. Sh. Anish Garg, Jt. Director (PS&E)

NDPL

- iv. Sh. Vivek Singla, Sr. General Manager (PM&CC)
- v. Sh. Sunil Kumar Sharma, AGM (PM&CC)
- vi. Sh. Anurag Bansal, HOG (Corporate Legal)
- vii. Sh. Varun Sharma, Manager (CCM)

3. NDPL stressed the need for the compliance of clause no. 47 of Electricity Act, 2003 as under;

"47. Power to require security

(1) Subject to the provisions of this section, a distribution licensee may require any person, who requires a supply of electricity in pursuance of section 43, to give him reasonable security, as may be determined by regulations, for the payment to him of all monies which may become due to him--



- (31)
- (a) *in respect of the electricity supplied to such person; or*
- (b) *where any electric line or electrical plant or electric meter is to be provided for supplying electricity to such person, in respect of the provision of such line or plant or meter, and if that person fails to give such security, the distribution licensee may, if he thinks fit, refuse to give the supply of electricity or to provide the line or plant or meter for the period during which the failure continues.*
- (2) *Where any person has not given such security as is mentioned in sub-section (1) or the security given by any person has become invalid or insufficient, the distribution licensee may, by notice, require that person, within thirty days after the service of the notice, to give him reasonable security for the payment of all monies which may become due to him in respect of the supply of electricity or provision of such line or plant or meter.*
- (3) *If the person referred to in sub-section (2) fails to give such security, the distribution licensee may, if he thinks fit, discontinue the supply of electricity for the period during which the failure continues.*
- (4) *The distribution licensee shall pay interest equivalent to the bank rate or more, as may be specified by the concerned State Commission, on the security referred to in sub-section (1) and refund such security on the request of the person who gave such security.*
- (5) *A distribution licensee shall not be entitled to require security in pursuance of clause (a) of sub-section (1) if the person requiring the supply is prepared to take the supply through a pre-payment meter."*

4. **The procedure suggested by NDPL is as under;**

(i) **Notice u/s 47 (2) of the Electricity Act 2003** to be issued by NDPL to the consumer (whose security deposit with NDPL has become insufficient) keeping in line with requirements of section 47(2) of the Electricity Act, 2003 to deposit , within 30 days from the service of the notice , reasonable security deposit as demanded by NDPL, failing which the supply shall be liable for disconnection by the NDPL, in terms of section 47(3) of the Electricity Act, 2003.

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(ii) Basis of computation of Reasonable Security Deposit:

- The Licensee shall review the consumption pattern of the consumer for the adequacy of the security deposit from April to March of the previous year.
- Consumer shall be required to maintain a reasonable security deposit equivalent to consumption bill of 2 months 15 days (for monthly billing cycle Consumers) and 3 months 15 days (for bimonthly billing cycle Consumers), based on average monthly consumption bills of the previous financial year. Any shortfall or excess amount estimated with existing security deposit shall be adjusted in the first bill of next financial year for respective consumer.
- Reasonable consumption deposit as stipulated above shall be applicable to all categories of consumers.
- Under Clause 16 (vi) of Delhi Electricity Supply Code & Performance Standards Regulations, 2007, Licensee shall credit the interest due on account of security deposit in the first bill of next financial year for respective consumer.

5. The existing SOP regulation 2007 provide the following;

- (i) Clause 29 of Delhi Electricity Supply Code & Performance Standards Regulations, 2007 (SoP Regulations, 2007) specify the security deposit to be deposited by new consumers which is based upon the sanctioned load of the consumer.
- (ii) There is no provision for enhancement of security deposit for existing consumers on the basis of increase consumption of the consumer.

6. It was mutually agreed that these issues will be comprehensively addressed in the revised SoP Regulations being framed by the Commission. Pending issuance of the Regulations, following shall be adopted by Licensee:

- (i) Where energy meters have provision for recording the maximum demand, the average of the 3 highest maximum demand readings recorded by the consumer during the 12 month period from April to March (rounded off to the next higher whole number) would be adopted to revise the Sanctioned Load. For such consumers, the security deposit would be revised accordingly on the

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above basis. First such period shall be April 09-March 10 and the revision shall take place during the current FY.

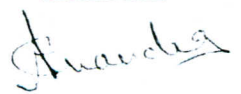
- (ii) Where the energy meters of the consumers do not have MDI, the Commission shall evolve appropriate guidelines in the Regulations based on the analysis of data to be submitted by Power Utilities. The utilities shall provide information regarding the average kWh/KW for the 12 month period April to March of 2009-10 for consumers having meters with maximum demand indication for the above analysis.

For NDPL



Vivek Singla
Sr. General Manager (PM&CC),

For DERC



(Anjuli Chandra)
Executive Director (Engg.),

COURT- II

APPELLATE TRIBUNAL FOR ELECTRICITY
(Appellate Jurisdiction)

Appeal No. 139 of 2010

Dated : 9th December, 2010

Coram: Hon'ble Mr. Rakesh Nath, Technical Member
Hon'ble Mr. P. S. Datta, Judicial Member

In the matter of:

North Delhi Power Ltd.

... Appellant(s)

Versus

Delhi Electricity Regulatory Commission & Ors.

... Respondent(s)

Counsel for the Appellant : Mr. K.Datta, Mr. Ajaay Kapoor
M. Anurag Bansal

Counsel for the Respondent : Mr. Sachin Data
Mr. K.K. Verma for DERC

ORDER

Learned Counsel for the State Commission had submitted that the Commission had no objection to enhancement of sanctioned load of consumers whose consumption is over a period of time is more than the sanctioned load but the Commission was concerned about the methodology to be adopted while doing so. Accordingly, in the last hearing dated 27.11.2010 both the parties had agreed to work out a procedure for additional security for the existing consumers and this Tribunal had directed the parties to submit the agreed procedure. Parties have now

filed minutes of the meeting held on 3.12.2010 wherein it has been agreed that the issue will be comprehensively addressed in the revised Standards of Performance Regulations being framed by the State Commission. However, pending issuance of the Regulations, a procedure has been agreed as laid down in the agreed minutes of meeting. Accordingly, this Appeal is disposed of in terms of the minutes of the joint meeting dated 3.12.2010 signed by both the parties which shall form part of the order and the order impugned dated 8.4.2010 stands modified to that extent. Accordingly, **the Appeal stands disposed of.**

(Justice P.S. Datta)
Judicial Member

(Rakesh Nath)
Technical Member

PK/KSM