

**DELHI ELECTRICITY REGULATORY COMMISSION**  
**Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi- 110017.**

F.11(548)/DERC/2009-10/

**Petition No. 05/2010**

**In the matter of:** Petition for permitting the NDPL to increase the sanctioned load of the consumers.

**AND**

**In the matter of:**

North Delhi Power Limited  
Through its: **CEO**  
Sub-Station Building,  
Hudson Lines, Kingsway Camp,  
Delhi-110009.

**...Petitioner/Licensee**

**Coram:**

**Sh. Berjinder Singh, Chairman, Sh. Shyam Wadhera, Member &  
Sh. Subhash R. Sethi, Member.**

**Appearance:**

1. Sh. Krishnendu Datta, Advocate for NDPL;
2. Sh. Vivek Singla, GM, NDPL;
3. Sh. Anurag Bansal, HOG – Legal, NDPL;
4. Sh. Ajay Kapoor, CFO, NDPL;
5. Sh. Varun Sharma, Manager, NDPL.

**ORDER**

(Date of Hearing: 04.03.2010)

(Date of Order: 08.04.2010)

1. The North Delhi Power Ltd. through this petition prayed the following:-
  - (a) Take this petition on record, adjudicate upon the issues raised in the present petition and issue appropriate direction/clarifications etc. permitting the Petitioner to increase the sanctioned load of consumers who are using load in excess of their sanctioned load; and
  - (b) During the pendency of this petition, kindly keep the directions contained in letters dated 09.12.2009 and 18.01.2010 in abeyance;
  - (c) Pass such order as the Hon'ble Commission may deem fit and proper in the facts and circumstances of the case.
2. Sh. Krishnendu Datta, the learned Counsel appearing for NDPL submitted that consumption pattern of consumers in Delhi has registered a sharp change in the past few years due to continuous availability of reliable quality of power by the NDPL and easy availability of consumer durable products. The energy demand has soared enormously and has surpassed all expectations and projections in the recent times.

3. Sh. Datta further submitted that in order to meet all demands of electricity consumers in the area of NDPL, it has made arrangements of electricity based on various parameters including past consumption pattern of its consumers, load growth studies, weather conditions, etc. It had to even resort to buying power at higher rates to satisfy the ever growing demand of the consumers. Sh. Datta further submitted that it has been observed that the majority of consumers across tariff categories of the NDPL are using load in excess of sanctioned load in utter violation of terms and conditions of supply. Such excess loads and the sanctioned load figures are not connected by the consumers to the network of the petitioner temporarily but in most of the cases it is being permanently consumed. Sh. Datta further submitted that the issue pertaining to enhancement of load of consumers based on advance consumption deposit (ACD) was raised before the Commission, during the hearing of Tariff Order FY 2005-06 and the Commission had observed that this issue is not related to the ARR of the Licensee, therefore, the Commission will not deal with this issue as part of the order and that the Commission will deal with this issue while revising the Performance Standards (Metering & Billing) Regulations. Sh. Datta submitted that the Commission did not address this issue in the Supply Code and Performance Standards issued in 2007.
4. Sh. Datta further submitted that this issue was also raised by NDPL in filing for ARR for tariff order for FY 2006-07 without any success. It was claimed that it has been noticed in general that the load enhancement is completely ignored by the errant consumers to avoid levy and payment of additional charges which are associated with enhancement of sanctioned load, including levy of additional fixed charges. It was considered that the Commission may appreciate that out of the existing consumer base of petitioner of around ten lakhs, around seven lakh consumers are using actual load more than their sanctioned load. It is also pertinent to mention here that around 32000 meters were burnt in the last three years itself, due to this practice of actual consumption being in excess of sanctioned load.
5. Sh. Datta further submitted that during the period June 2009, NDPL after accessing the consumption pattern of the consumers who are using higher load than the sanctioned load had issued 7500 notices to the industrial and commercial consumers who are indulging in the usage of higher load than sanctioned, for regularisation the load based on MDI/DCL.
6. Sh. Datta also placed reliance on the provisions of Section 47 of the Electricity Act, 2003. It was submitted that the petitioner has power under Section 47 to suo-

moto enhance the sanctioned load and demand additional security deposit commensurate with the actual load being consumed by such consumers.

7. It was further submitted for the petitioner that usage of load in excess of sanctioned load by consumers has created various technical as well as operational problems which is affecting day-to-day operation of the NDPL.
8. It was submitted that due to consumers, who have failed to enhance the sanctioned load in order to avoid legitimate dues of the NDPL in respect of additional security deposit, SLD charges and fixed charges for extra load being used by them, honest and law abiding consumers of Delhi are suffering on this account.
9. Sh. Data further submitted that the relief sought by the petitioner is duly contemplated in the clause 25 of the distribution and supply license also which provides that the Licensee shall have power and authority to take appropriate action for revenue realisation, prevention of diversion of electricity and damage to public lamps and other property and other similar matters effecting distribution and retail supply.
10. The arguments for the petitioner have been considered. Section 47(1) of Electricity Act, 2003 provides:
- "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 determined by regulations, for the payment to him of all monies which may become due to him -*  
*(a) in respect of the electricity supplied to such persons; or*  
*(b) where any electric line or electrical plant or electric meter is to be provided for supplying electricity to 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 or to provide the line or plant or meter for the period during which the failure continues."*

11. Regulation 29 of the Delhi Electricity Supply Code and Performance Standards Regulations, 2007 provides that :-

All new consumers shall pay security at the following rates:

**Table 3**

<b>S. No.</b>	<b>Category</b>	<b>Amount (Rs./KW)</b>
1	Domestic	600
2	Non-Domestic	1500
4	Industrial	1500
5	Agriculture	300
6	Street Light	1500
7	Railway, DMRC	1500
8	Mushroom Cultivation	600
9	Temporary Connection:	300

	Upto 3 days	
	Upto 7 days and multiple thereof, in block of 7 days For regular use/construction works	500 per 7 days block or part thereof 1.5 times relevant category

12. Regulation 2(n) of the Delhi Electricity Supply Code and Performance Standards Regulations, 2007 provides that

**Connected load** means aggregate of the manufacture's rating of all energy consuming devices in the consumer's premises, which can be simultaneously used. This shall not include the load of spare plug, sockets, load exclusively installed for fire fighting purposes. Only heating or cooling apparatus shall be taken into account as per prevailing season (1<sup>st</sup> April to 30<sup>th</sup> September for cooling use and 1<sup>st</sup> October to 31<sup>st</sup> March for heating use).

The connected load shall be worked out with tolerance of 5% in cases involving change of tariff. The definition of connected load in general is for the purpose of working out assessment of consumption.

13. Regulation 2(zn) of the Delhi Electricity Supply Code and Performance Standards Regulations, 2007 provides that:

**“Sanctioned load”** means the load in kW/HP (kilo Watt/Horse Power) which the Licensee has agreed to supply from time to time subject to the governing terms and conditions.

14. A bare reading of Section 47 of the Electricity Act, 2003 and Regulation 29 of the Delhi Electricity Supply Code and Performance Standards Regulations, 2007 makes it clear that Regulation 29 specifically provides for security for new connections only. The existing security deposit provided in Regulation 29 of the Delhi Electricity Supply Code and Performance Standards Regulations, 2007 has been provided for new consumers and should not be used for suo-moto raising of sanctioned load on the basis of connected load/maximum of MDI/derived connected load etc. The penalty for MDI exceeding sanctioned load has been provided in the tariff orders of the Commission. Thus, any demand for the additional security deposit for suo-moto enhancement of load is unwarranted and legally untenable.

15. The Commission has noticed that as per the existing Regulations domestic consumers are not charged any penalty for violating the sanctioned load norms. However, consumers belonging to other categories primarily the industrial and commercial consumers have to pay 30% surcharge on the fixed charges in case MDI exceeds the limits of the sanctioned load. Further since the privatisation of distribution companies massive capacity augmentation has been undertaken by all the three Discoms essentially based upon the loading pattern, consumption pattern, load factor etc. Thus there is no apparent reason for the petitioner to

suo-moto enhance the sanctioned load of the consumer. The Electricity Act, 2003 and Delhi Electricity Supply Code and Performance Standards Regulations, 2007 have been in force effectively for quite sometime and there is no reasonable justification behind suo-moto raising of sanctioned load on the basis of connected load/maximum of last year MDI by the petitioner. Thus the action of the NDPL for suo-moto raising of sanctioned load is uncalled for and legally not sustainable.

16. In the light of the above discussion, the Commission directs that the petitioner should immediately stop suo-moto enhancement of sanctioned load, the load enhanced suo-moto by the petitioner should be reduced to the earlier level and the additional consumption security deposit so called from the consumers be refunded at the earliest except in cases where the consumers voluntarily give in writing to the petitioner that they would like to retain the enhanced load. Compliance report regarding reducing the load enhanced suo-moto and refund of additional consumption security deposit paid by the consumers shall be submitted to the Commission within a month from the date of issue of this order.

17. The Commission is of considered view that there is no merit in this matter. This petition is dismissed with above remarks.

18. Ordered accordingly.

Sd/-  
(Subhash R. Sethi)  
MEMBER

Sd/-  
(Shyam Wadhera)  
MEMBER

Sd/-  
(Berjinder Singh)  
CHAIRMAN