

**MAHARASHTRA ELECTRICITY REGULATORY COMMISSION,
MUMBAI**

**Maharashtra Electricity Regulatory Commission (Electricity Supply Code and
Other Conditions of Supply)(Amendment) Regulations, 2008**

ELECTRICITY ACT, 2003.

No. MERC/legal/129/2008 _____ – In exercise of the powers conferred by clause (a) of sub-section (2) of Section 45 read with clause (u) of sub-section (2) of Section 181, sub-section (5) of Section 45, Section 46, sub-section (1) and sub-section (4) of Section 47 read with clause (v) and clause (w) of sub-section(2) of Section 181 and Section 50 read with clause (x) of sub-section (2) of Section 181 and clause (zp) of sub-section (2) of Section 181 of the Electricity Act 2003, and in compliance of “The Electricity (Removal of Difficulties) Order, 2005” and “The Electricity (Removal of difficulties)Eighth Order, 2005”, the Maharashtra Electricity Regulatory Commission (MERC) hereby makes the following amendments to the MERC (Electricity Supply Code and Other Conditions of supply) Regulations, 2005:

1. Short Title and Commencement

- (i) These Regulations may be called the “**Maharashtra Electricity Regulatory Commission (Electricity Supply Code and Other Conditions of Supply) (Amendment) Regulations, 2008**”.
- (ii) These Regulations shall come into force from the date of their publication in the Official Gazette.

2. Amendment of Regulation 2 of the Maharashtra Electricity Regulatory Commission (Electricity Supply Code and Other Conditions of Supply) Regulations, 2005 (hereinafter referred to as the “Supply Code”)

- (i) In Regulation 2.1 of the Supply Code, clause (h), the following clause shall be substituted, namely;

“(h) “Grievance Redressal Regulations” means Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum and Electricity Ombudsman) Regulations, 2006 and any amendment thereto (as in force from time to time).”.

3. Amendment of Regulation 3 of the Supply Code

- (i) In Regulation 3.3.3 of the Supply Code, for the words “Where the provision of supply to an applicant entails works of installation of Dedicated distribution facilities”, the

words “Where an applicant seeks Dedicated Distribution Facilities to his premises”, shall be substituted.

- (ii) Regulation 3.3.4 of the Supply Code shall be omitted.
- (iii) In Regulation 3.3.5 of the Supply Code, the existing provisos will become the second and the third provisos as a new first proviso shall be inserted, which shall read as follows:
“Provided that the Distribution Licensee shall be entitled to recover the expenses incurred towards permanent disconnection of the Dedicated Distribution Facility of the consumer from its system in accordance with the Schedule of Charges as approved by the Commission under Regulation 18.”.
This amended Regulation shall become Regulation 3.3.4.
- (iv) In amended supply code, existing Regulations 3.3.6 and 3.3.7 shall become Regulation 3.3.5 and 3.3.6 respectively.
- (v) In Regulation 3.3.8 of the Supply code, for the words “Where the Distribution Licensee permits an applicant to carry out works under this Regulation 3.3 through a Licensed Electrical Contractor”, the words “Where an applicant has represented to the Distribution Licensee that he desires to carry out works under this Regulation 3.3 through a Licensed Electrical Contractor and the Distribution Licensee permits the applicant to do so”, shall be substituted.
This amended Regulation shall become Regulation 3.3.7.

4. Amendment of Regulation 4 of the Supply Code

- (i) In Regulation 4.2 of the Supply code,
 - (a) in the second proviso, for the words “each section office / ward office / consumer center of the Distribution Licensee”, the words “the concerned office of the Distribution Licensee” shall be substituted.
 - (b) the third proviso shall be omitted.
- (ii) In Regulation 4 of the Supply Code, after Regulation 4.4 , the following Regulations shall be added namely;
“4.5 An application for single point supply of electricity for residential purposes can be made by:
 - (a) a registered Co-operative Group Housing Society (Housing Society), which owns the premises, for making electricity available to the members of such Society residing in the same premises.

Provided that it shall not in any way prejudicially affect the right of a person residing in the housing unit, sold or leased by such Housing Society, to demand electricity supply directly from the distribution licensee of the area.

(b) a Person (Employer) for making electricity available to his employees residing in the same premises.”.

“4.6 The terms and conditions for a single point supply under Regulation 4.5 above shall be as under:

(i) The Housing Society/Employer shall apply to the Distribution Licensee for the entire connected load / contract demand of the colony and its additions from time to time.

(ii) The land/ accommodation reasonably required for installation of metering at the point of supply shall be provided by the Housing Society / Employer free of cost to the Distribution Licensee,

Provided that if any dispute arises with reference to the requirement of the land / accommodation including the area which has been requisitioned by the Distribution Licensee, for safe, and secure operations, such dispute shall be referred under the Grievance Redressal Regulations to the concerned forum.

(iii) The quality and system of supply shall be as per Regulation 5 of the Maharashtra Electricity Regulatory Commission (Standards of Performance of Distribution Licensees, Period for Giving Supply and Determination of Compensation) Regulations, 2005, as in force from time to time.

(iv) Electrical energy supply to the Housing Society / Employer shall not be utilized by the Housing Society / Employer in any manner pre-judicial to the Distribution Licensee and all usage shall be in accordance with the provisions of the contract entered into in this regard and the statutory provisions applicable thereto. The Housing Society / Employer shall not extend the supply beyond its premises other than that for which it was sanctioned by the Distribution Licensee.

(v) All individual connections shall be metered.

(vi) The infrastructure after the point of supply shall be laid by the applicant Housing Society / Employer and the Housing Society / Employer shall retain the ownership of all such assets.

(vii) The Housing Society / Employer shall be fully responsible for the maintenance of complete infrastructure network beyond the point of supply.

(viii) The Housing Society / Employer shall be fully responsible for various commercial and technical activities for distribution of electricity to the members of such Society residing in the same premises.

(ix) The Housing Society/Employer shall not charge more than the slab-wise electricity tariff determined by the Commission for residential consumers located in the area of supply of the Distribution Licensee, where such Housing Society/premises is located.

(x) Electricity supply by the Distribution licensee to the Housing Society /Employer shall be governed by these Regulations and the terms and conditions for supply of electricity of the Distribution licensee for its consumers.

(xi) The system of wires and associated facilities from the single point of connection to the installation for making electricity available to the members of such Society residing in the same premises of the Housing Society/Employer along with the electrical installations of individuals shall conform to the safety requirements of the Act, and all rules and regulations made there under. The electrical installation shall be wired as provided in the Rules/Regulations and shall be tested before releasing connection through single point supply.”.

5. Amendment of Regulation 5 of the Supply Code

(i) In Regulation 5.4 of the Supply Code, the following proviso shall be added namely;

“Provided that the applicant shall produce outstanding documents and make payment of requisite fees or charges in accordance with the schedule of charges approved under Regulation 18 below, within three months from the receipt of such notice or letter of intimation, otherwise the Distribution Licensee shall be entitled to cancel the application.”.

(ii) In Regulation 5.5 of the Supply Code, after the first proviso, the following provisos shall be added namely;

“Provided further that consideration of the prevailing market rate as mentioned in first proviso to the Regulation 5.5 shall be applicable only in case where there is a loss of FSI to the developer in earmarking land for substation for giving supply to the applicant’s premises.

Provided further that the area of the Land required for installation of Substation within the applicants premises shall be provided by applicant to the Distribution Licensee as per the guidelines given in the Development Control Rules of the respective area.”.

(iii) After the Regulation 5.9 of the Supply Code and provisos thereto, the following Regulation shall be added namely;

“5.10 Save as may be otherwise directed by the Commission under its general or case specific orders, or the provisions of the Act or rules, Regulations, policies and notifications issued there under, while determining the tariff category the Distribution Licensee shall take into account the purpose of usage as indicated in the application itself and that is to be considered for the purposes of the tariff category of the applicant.”.

6. Amendment of Regulation 8 of the Supply Code

(i) In Regulation 8.5 of the Supply Code, for the brackets, letters and word “ (a), (b) or (c)”, the brackets, letters and word “ (a), (b), (c), (d) or (e)” shall be substituted. Furthermore, the proviso thereto shall be omitted.

(ii) For Regulation 8.6 of the Supply Code, the following Regulation shall be substituted:

“8.6 Assessment of electricity charges in case of theft of electricity

(a) The officer of the Licensee authorised by the State Government may enter, inspect, break open and search any place or premises in which he has reason to believe that electricity (has been or is being), used unauthorisedly. Further such officer may search, seize and remove all such devices, instruments, wires and any other facilitator or article which has been or being, used for unauthorized use of electricity.

(b) In case sufficient evidence is found to establish direct theft of electricity, officer of the concerned Licensee authorised by the Commission shall immediately disconnect the supply of electricity. Further such officer of the Distribution Licensee shall lodge a complaint in writing relating to the commission of such an offence with the concerned police station, having jurisdiction over such area where such an offence of theft has been committed, within twenty four hours from the time of such disconnection. A copy of the FIR shall be served on the consumer under proper receipt within two days of filing of FIR.

(c) An assessment of the electricity charges for the theft of energy under Section 135 of the Act, shall be worked out as per the assessment formula prescribed in **Annexure-A**.

(d) Assessment of energy charges against a consumer or a person in terms of money for theft of energy under section 135 shall be made for the entire period during which such theft of energy has taken place and if, however, the period during which such theft of energy has taken place cannot be ascertained, such period shall be limited to a period of twelve months immediately preceding the date of inspection.

The assessment in the above cases shall be made at the rate equal to twice the tariff applicable for the relevant category of services.

(e) The Distribution Licensee shall restore the supply line of electricity within forty-eight hours of deposit or payment of assessed amount or electricity charges.”.

(iii) After Regulation 8.6 of the Supply Code, new Regulations 8.7, 8.8 and 8.9 shall be added as follows:

“8.7 Procedure to be followed in case of suspected theft through tampered meter

(a) In case of suspected theft through tampered meter, the officer of the Licensee authorised by the State Government shall remove the old meter under a seizure memo and seal it in the presence of the consumer/ his representative. The Licensee shall continue the supply to the consumer with a new meter. The old meter shall be tested in a NABL accredited laboratory and the laboratory shall give a test report, in writing. The consumer or his representative shall have a right to witness the test.

(b) The seizure memo shall be signed by such officer and each member of the inspection team and the copy of which shall be handed over to the consumer /his representative at site immediately under proper receipt. In case of refusal by the consumer / his representative to either accept or give an acknowledgement, a copy of inspection report shall be pasted at a conspicuous place in/outside the premises and photographed. Simultaneously, the report shall be sent to the consumer under Registered Post.

(c) As per the test report, if it is found that,

i) the meter is accurate, no further action is warranted and the said shall be communicated to the consumer.

ii) the meter is inaccurate but not tampered with, the assessment will have to be carried out as per the provisions of Supply code Regulation 15.4.1.

iii) In case of a tampered meter, licensee shall proceed as per the provisions of section 135 of Act and assessment shall be worked out on the basis of the test results indicated in the report.”.

“8.8 If the assessing officer reaches to the conclusion that unauthorized use of the electricity has taken place under section 126, provisional assessment of energy charges payable by the person who indulged in unauthorized use of electricity, shall be made in accordance with the provisions of the said section.”.

“8.9 Measures to prevent diversion of electricity, theft or unauthorized use of electricity or tampering, distress or damage to electrical plant, electric lines or meter.

8.9.1 The Distribution Licensee shall arrange periodic inspection/ testing of meters as specified in Regulation 18 of Central Electricity Authority (Installation and Operation of meters) Regulations, 2006 in order to reduce and prevent the menace of theft or unauthorized use of electricity or tampering, distress or damage to electrical plant, electric lines or meter, and to initiate preventive measures.

8.9.2 The Distribution Licensee shall arrange to provide tamper proof meter boxes on meters, so as to ensure that within next five **(5) years** from the date of this notification meters installed at all the consumers premises have tamper proof meter boxes. The Distribution Licensee shall simultaneously also review the status of service lines to ensure that it is in good working condition and well insulated. Wherever required, service lines shall be replaced to prevent theft.

8.9.3 The Distribution Licensee shall evolve a system for carrying out regular monthly monitoring of consumption of high value consumers, which shall include all the HT connections and LT connections having contract demand of 20kW and above. Variations in the consumption shall be carefully analysed.

8.9.4 The Distribution Licensee shall ensure that 33 kV, 22kV and 11 kV feeder wise and 33/22/11 kV sub-station-wise losses are worked out in respect of all feeders / sub-stations in its distribution network. The Distribution Licensee shall take steps for reduction of losses in the identified pockets having high losses, and shall submit report to the Commission on quarterly basis in the format as may be specified by the Commission.

8.9.5 The Distribution Licensee shall install meters on all Distribution Transformers and carry out energy audit so as to identify localised high loss pockets and take further suitable action for reduction of losses in such pockets, and shall submit report to the Commission on quarterly basis in the format as may be specified by the Commission.

8.9.6 The Distribution Licensee shall install remote metering devices on all 33kV, 22kV, 11kV feeders and HT connections for the purpose of monitoring of consumption and prevention of theft of electricity; and shall submit to the Commission reports on quarterly basis.

8.9.7 It shall be a constant endeavour of the Distribution Licensee to take steps to provide as much information *suo motu* to the public at regular intervals through various means of communications, including internet, so that information is disseminated widely and in such form and manner which is easily accessible to the public about the level of Division wise

commercial losses. The Distribution Licensee shall also display boards containing the information about the above at its consumer service related offices.

8.9.8 The Distribution Licensee shall arrange to disseminate - information regarding the efforts made for prevention of diversion of electricity, theft or unauthorized use of electricity or tampering, damage or distress to electrical plant, electric lines or meter and results obtained during the year, inter alia on its website on a regular basis.

Explanation.—For the purposes of Regulations 8.9.7 and 8.9.8, "disseminated" means making known or communicating the information to the public through notice boards, newspapers, public announcements, media broadcasts, the internet or any other means.

8.9.9 The Distribution Licensee may replace overhead bare conductors with Arial bunch cables in theft prone areas, wherever necessary, to prevent theft by direct hooking with the Licensee's lines.

8.9.10 The Distribution Licensee may provide High Voltage Distribution System in theft-prone area for reduction of distribution losses and prevention of theft, keeping in view the techno economic considerations.

8.9.11 The Distribution Licensee may relocate the meters of existing consumers to an appropriate location but within the boundary wall so that it is clearly visible and easily accessible for reading, inspection/ testing and other related works.

8.9.12 All such cases where theft has been detected shall be separately monitored by the Distribution Licensee and an abstract report shall be submitted to the Commission (on quarterly basis) in respect of recovery of assessment amount.

8.9.13 A list of cases where theft of electricity has been detected shall be maintained by the Distribution Licensee. The Distribution Licensee shall also maintain a separate list of cases to clearly identify where second offence and subsequent offence (s) of theft have been detected and take action as per the provisions of the Act.

8.9.14 The Distribution Licensee shall take all precautions to prevent tampering, damage or distress to their lines/ plants, meters or other such equipments by providing adequate protection and security. The Licensee or the Supplier shall take prompt appropriate action as per the provisions under Sections 136 to 141 of the Electricity Act, 2003 if any tampering, damage or distress is caused to their lines/ plants, meters or other such equipments so as to deter/curb such practices.”.

7. Amendment of Regulation 14 of the Supply Code

- (i) For Regulation 14.1.3 of the Supply Code, the following Regulation shall be substituted, namely;

“Consumer meters shall generally be provided and owned by the licensee.

Provided that a Consumer may elect to purchase a meter having specifications laid down in Central Electricity Authority (Installation and Operation of meters) Regulations, 2006, and the same may be purchased by him.

Provided further that the Meter purchased by the consumer shall be tested, installed and sealed by the licensee.

Provided further that the consumer shall claim the meter purchased by him as his asset only after it is permanently removed from the system of the Distribution Licensee.”.

- (ii) In Regulation 14.2.3 of the Supply Code, for the first proviso, the following proviso shall be substituted, namely;

“Provided that the distribution licensee may recover the price of the new meter from the consumer based on the approved schedule of charges under regulation 18.”.

- (iii) In Regulation 14.2.4 of the Supply Code, the words “more than once” shall be omitted.

8. Amendment of Regulation 15 of the Supply Code

- (i) For Regulation 15.4.1 of the Supply Code, the following Regulation shall be substituted, namely;

“Subject to the provisions of Part XII and Part XIV of the Act, in case of a defective meter, the amount of the consumer’s bill shall be adjusted, in accordance with the results of the test taken by the NABL accredited laboratory, for a maximum period of three months prior to the month in which the dispute has arisen, subject to furnishing the test report of the meter along with the assessed bill.:

Provided that, in case of broken or damaged meter seal, the meter shall be tested for defectiveness or tampering. In case of defective meter, the assessment shall be carried out as per clause 15.4.1 above and, in case of tampering as per Section 126 or Section 135 of the Act, depending on the circumstances of each case.

Provided further that, in case the meter has stopped recording, the consumer will be billed for the period for which the meter has stopped recording, up to a maximum period of three months, based on the average metered consumption for twelve months immediately preceding the month from which the meter has stopped recording.”.

By the order of the Commission

(P.B. Patil)

Mumbai,

Date: October, 2008.

ANNEXURE – A

Guidelines for Assessment of electricity charges (Refer Regulation 8.6)

Fixed / Demand Charges: For the purpose of Assessment of Fixed/demand charges, Contract Demand / Sanctioned Load or **L/DF**, whichever is higher shall be considered as a Maximum Demand

Energy Charges: The units consumed per month shall be worked out in the following manner;

$$\text{Consumption per month in units} = \frac{\mathbf{L \times D \times H}}{\mathbf{DF}}$$

Where

L is total connected load in kW found at time of inspection.

D is number of working days per month, during which unauthorized use/theft is suspected and will be taken for different categories of use as below:

a) Continuous industry	30 days
b) Non-continuous industry	25 days
c) Domestic	30 days
d) Agriculture	30 days
e) Non Domestic (continuous) viz. hospitals, Hotels, restaurants, guest houses, nursing homes, Petrol pumps.	30 days
f) Non Domestic (general) i.e. other than (e)	25 days
g) Water works & street lights	30 days
h) Other categories	30 days

H is use of supply hours per day, which will be taken for different categories of use as below:

a) Single shift industry (day / night only)	08 hrs.
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b) Non-continuous process industry (day & night)	20 hrs.
c) Continuous process industry	24 hrs
d) (i) Non Domestic (general) including restaurants	12hrs.
(ii) Hotels, hospitals, nursing homes, guest houses, petrol pumps	20hrs.
e) Domestic	08 hrs.
f) Agriculture	06 hrs.
g) Water works	08 hrs.
h) Street light	12 hrs.
i) Other categories	12 hrs.

DF is Diversity factor, which will be taken for different categories of use as below:

a) (i) Industrial (General)	1.6
(ii) Industrial (Power Intensive)	1.25
b) Non Domestic	1.6
c) Domestic	2.5
d) Agriculture	1.0
f) Other categories	1.0

While determining the period of Assessment and Energy Consumption, due consideration shall be given to the following,

1. Closure of Industry on account of Strike, Lock out etc.
2. Last thorough check-up of the meter by the Testing Engineer of the Distribution Licensee.
3. Inspection of Meter by Vigilance Team of the Distribution Licensee.
4. Date of reduction in Contract Demand / Sanctioned Load.