



## TAMIL NADU ELECTRICITY REGULATORY COMMISSION

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To  
Chairman cum Managing Director,  
TANGEDCO, 6<sup>th</sup> floor,  
TANTRANSCO Building,  
144, Anna Salai,  
Chennai - 600 002.

**Lr.No.TNERC / DE / DDE 2/ AD(SA) / F.Instructions to TANGEDCO / D.No. 466 /2024 dt. 03-04-2024.**

Sir,

**Sub.:** TANGEDCO – Excess collection of development charges for the new service connections – Regarding.

**Ref.:** Representation received from Coimbatore Consumer Cause on 14.03.2024.

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It is represented that the development charges applicable for UG cable is being collected from the applicants of Over Head category also indiscriminately. It is further reported that the computer system of TANGEDCO portal is programmed to collect automatically the higher development charges applicable for UG cable, from all category of applicants i.e. both UG and OH categories, without exercising any check by the Licensee or any option given to the applicant.

The collection of higher charges more than the tariff authorised vide Commission's Non-tariff related miscellaneous charges Suo-Motu Order No. 7 of 2023 dated 30.06.2023 shall be stopped immediately. Only when the work of LT extension from the DT to the premises of the applicant is involved with UG cables, the

development charges under UG cable is payable. Such system where the LT networks (to which the applicant is connected) are established with UG cable are predominantly in service only in Chennai area.

In places like Salem, Erode, Coimbatore, Trichy, Madurai, Tirunelveli etc., where the HT feeders are laid with UG cable. However, majority of the LT network of those feeders still remain in O.H. system only. In such case, only the development charges for O.H. is applicable.

The consumer laying service connection either with O.H. service connection wire or with UG service connection cable in their premises is not the criteria to decide the applicability of development charges, as it is carried out at the expenses of consumer and will be maintained by the consumer as per sub-regulation 29(17) of the Distribution Code, as amended. Therefore when the LT lines are O.H and the consumers service connection is U.G., tapped from existing poles, only the development charges of O.H. is applicable. Only when the service cable is tapped from pillar box of UG cable system, the development charges for UG is applicable.

Following clarifications is issued in this regard:

1. In short, the development charges for UG is applicable for LT applicants where the particular LT feeder which would feed the applicant's service connection is UG. Similarly, the development charges for UG is applicable for HT applicants where the particular HT feeder which would feed the applicant's service connection is UG.
2. Development charge is approved instead of estimate cost towards extension of supply to consumer. If the extension of Distribution main involves OH, only the development charges of O.H. to be collected. If the extension of Distribution main involves UG, then development charges of UG to be collected. If it is mixed, development charges to be collected proportionately.
3. Wherever the UG cable has been laid due to field conditions for in few spans of small length in an OH feeder like road/railways crossing etc., those negligible quantum need not be accounted and only the development charges for OH is applicable for such cases.
4. The extra development charges collected so far by way of wrong applicability of the UG development charges for the O.H service connections shall be refunded

to the applicants/consumers immediately or treated as Advance C.C. and reported to the Commission.

5. The application software shall be corrected accordingly with immediate effect and no further collection of development charges is permitted with existing arrangements.

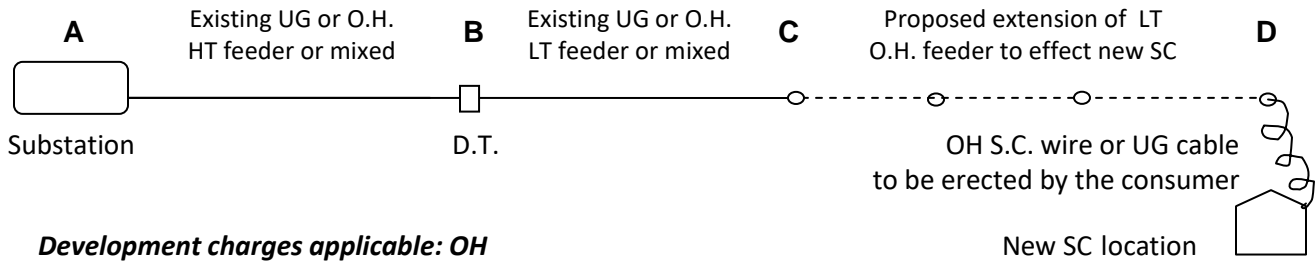
Sd/... 03.04.2024

Secretary,  
Tamil Nadu Electricity Regulatory Commission.

Illustration enclosed.

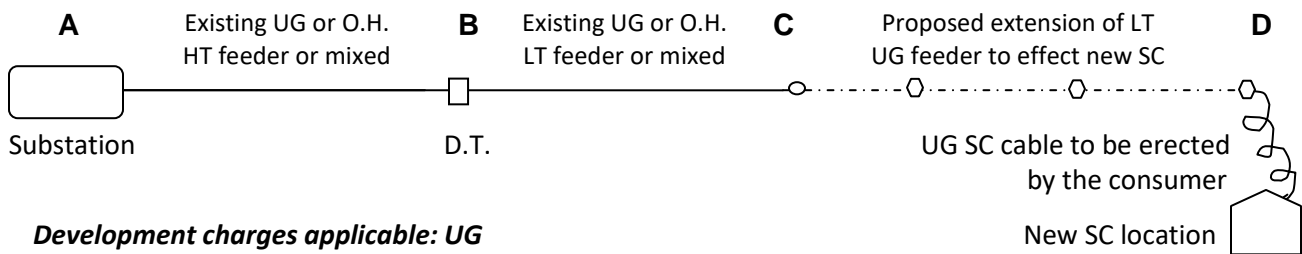
**ILLUSTRATION**

**CASE- I (O.H) :**



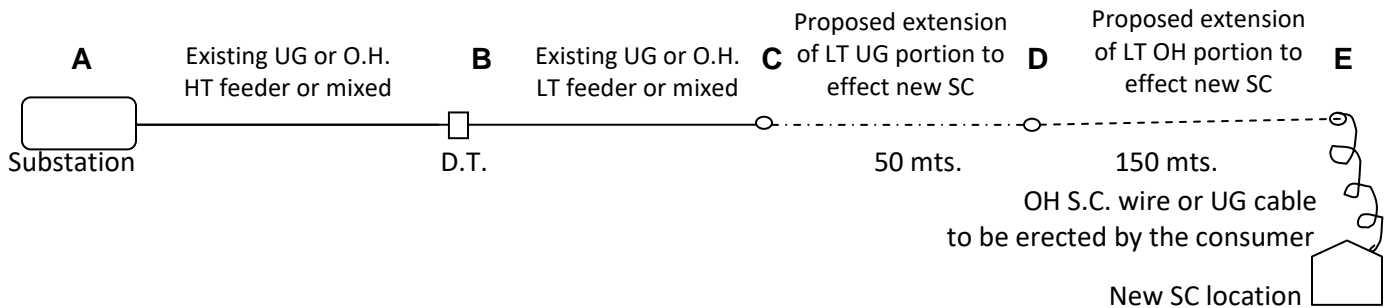
*Development charges applicable: OH*

**CASE- II (UG) :**



*Development charges applicable: UG*

**CASE- III (Mixed) :**



**Development Charges applicable:**

1. Total length of feeder to be erected from loc C to D. to effect new SC = 200 mts.
2. UG cable length from C to D = 50 mts.
3. OH line length from D to E = 150 mts.
4. Applied load = 5 kW

**Calculation of Development charges :**

(A) Development charges for UG cable portion =  $\frac{50}{200} \times 5 \text{ kW} \times \text{Dev. Charges / kW of UG specified in current Tariff Order}$

(B) Development charges for OH portion =  $\frac{150}{200} \times 5 \text{ kW} \times \text{Dev. Charges/ kW of OH specified in current Tariff Order}$

**Total development charges = (A) + (B)**