

Order No. 1/2007/TNERC/D(E)/AD/SA/SPR dated 3.10.2007

Sub: TNERC – Tamil Nadu Electricity Distribution Standards of Performance Regulations.

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(1) The Commission formulated the Tamil Nadu Electricity Distribution Standards of Performance Regulations under Section 57 of the Electricity Act 2003. The Regulations were published in the Tamil Nadu Government Gazette on 01.09.2004, from which date, all regulations except 21 and 22 came into force.

(2) Regulation 21 prescribes the compensation payable by the licensees for failure to achieve the performance and Regulation 22 prescribes the procedure for payment of compensation.

(3) Considering the preparation time that might be required by the TNEB, it was specified in regulation 1 (iii) that the provisions under the **Regulations 21 and 22 shall come into force after 1 year** from the date of the publication of the Regulations in the Gazette. Thus, the provisions under Regulations 21 and 22 of the Tamil Nadu Electricity Standards of Performance Regulations were enforced from 01.09.2005.

(4) The TNEB represented that they were facing dearth of men and material and hence finding it difficult to implement the various standards prescribed by the Commission. They had requested that the enforcement mechanism prescribed in the Regulations be postponed for **two years**. The Commission considered the request of the TNEB and approved the extension of the period specified in clause (iii) of Regulation 1 by **nine months** up to 31.5.2006 subject to the condition that the TNEB submit an action plan with milestone to achieve the standards, etc. The postponement of enforcement mechanism **up to 31.5.2006** was notified on **31.08.2005**.

(5) Further, TNEB in their **letter dated 26.5.2006** once again requested that the enforcement mechanism may be postponed by another **two years** citing various difficulties such as huge load growth beyond expectation warranting vast improvement to the existing infrastructure, natural calamities like tsunami, flood and vagaries of summer, etc. The Commission considered the request of the TNEB and approved extension of the period specified in clause (iii) of Regulation 1 by **six months** up to 30.11.2006. The postponement of enforcement mechanism **upto 30.11.2006** was notified on **31.05.2006**.

(6) Yet again the TNEB in their letter dated **7.11.2006** had expressed certain field level difficulties to implement the enforcement mechanism in Tamil Nadu Distribution Standards of Performance Regulations and requested for postponement of enforcement mechanism prescribed in Regulations 21 & 22 by another **year**. After careful consideration of the field difficulties put forth by TNEB, the Commission ordered the following vide notification no. **TNERC/SPR/9/1-5 dt. 12.12.2006**:

(i) to implement the provisions of Regulations 21 and 22 of Tamil Nadu Distribution Standards of Performance Regulations (Enforcement Mechanism) with effect from 1.1.2007 in respect of the following service areas:

- 1 Duty to give supply on request
 - a) New Service connection }
 - b) Additional Load }
 - c) Temporary Supply }
 - d) Shifting of service connection
 - e) Transfer of service connection
 - f) Change of tariff
- 2 Complaints in billing
- 3 Replacement of meters
- 4 Responding to consumer's complaints
- 5 Making and keeping appointments
- 6 Grievance handling

However, in respect of regulation 4, enforcement mechanism was applicable only for the following items of Table I and II, viz.

- (a) Involving no extension or improvement work **for LT (Table I)**
- (a) Involving Extension & Improvement **for HT / EHT (Table II)**

and

(ii) to consider an **extension of time for seven months** up to **30.06.2007** to implement the provision of Regulations 21 and 22 of Tamil Nadu Distribution Standards of Performance Regulations in respect the following service areas:

- 1 Interruption of supply
- 2 Voltage fluctuations and complaints

However in respect of regulation 4, exemption up to 30.06.2007 was granted only to the following items of Table I and II, viz.

- (b) Involving Extension and Improvement without Transformers **for LT**
- (c) Involving Extension and Improvement with Transformers **for LT**
- (b) Involving the enhancement of Power Transformer/Addition of Power Transformer **for HT/EHT**
- (c) Involving the Commissioning of new substation **for HT/EHT**

(7) Subsequently, TNEB in their letter No. CE/Comml./EE3/AEE1/F.DSOP /D.67/2007 dated **14.6.2007** requested that the enforcement mechanism for the items of works **currently extended up to 30.6.2007** be postponed up to 30.6.2008 viz. effecting of service connection, restoration of supply and voltage complaints citing reasons beyond the control of TNEB such as filling up of huge number of vacancies which involves Govt. Policy, delay in land acquisition, public objections, etc. Taking into consideration the various extensions granted earlier (initially by **one year** with a further period of **16 months** in total through three extensions for most service areas and a further extension for **six months** for specific service areas) and considering the fact that the Commission is obligated to play a fair role to protect the interests of all the stakeholders as provided in the Electricity Act, the Commission approved the postponement up to **31.07.2007** for the implementation of the compensation provisions of Regulations 21 and 22 of Tamil Nadu Distribution Standards of Performance Regulations in respect the following service areas :

- (i) S. No. 4 of Table of Regulation 21: Interruption of supply
- (ii) S. No. 5 of Table of Regulation 21: Voltage fluctuations and complaints
- (iii) In respect of regulation 4, postponement up to **31.07.2007** is granted only to the following items of Table I and II, viz.

Table I item (b) Involving Extension and Improvement without Distribution Transformers for LT

Table I item (c) Involving Extension and Improvement with Distribution Transformers for LT

Table II item (b) Involving the enhancement of Power Transformer/Addition of Power Transformer for HT/EHT

Table II item (c) Involving the Commissioning of new substation for HT/EHT

(8) Now, TNEB in their letter dated 20.8.2007, have requested the Commission **not to implement the enforcement mechanism for effecting new service connections for six months as special case.** In this regard, it may be noted that for the item, "duty to supply on request for **Table I item (a)** involving no extension or improvement work for LT and **Table II item (a)** involving extension and improvement for HT/EHT", the enforcement mechanism **had already come into force from 1.1.2007.** Under the stated circumstance, **the request of TNEB vide their letter dated 20.8.2007 requesting the Commission not to implement the** enforcement mechanism for six months **which had been already been implemented from 1.1.2007 has no relevance.** Even in the preceding request for postponement of enforcement mechanism made by TNEB vide letter dated 14.6.2007, this item has not been included and **the request has now been made much later than seven months.** Enforcement mechanism for **all the items** came into force on **1.8.2007** and the order to that effect had already been **hosted in the website on 9.7.2007.** Any request for further extension should have been made by TNEB well in advance. Further, the enforcement mechanism has been implemented in several other States such as Maharashtra, Andhra Pradesh, Karnataka (Limited Licensees), Delhi and Orissa.

(9) Therefore, the plea of TNEB to defer the enforcement mechanism for new service connections beyond 1.8.2007 is rejected.

(By order of the Tamil Nadu Electricity Regulatory Commission)

**R. Balasubramanian
Secretary**

To
The Chairman / Tamil Nadu Electricity Board, Chennai 600 002.