

**BEFORE THE TAMIL NADU ELECTRICITY REGULATORY COMMISSION  
CHENNAI**

**Order No T.O. 1- 119 dated 19.10.2009**

**Present :** Thiru S. Kabilan, Chairman  
Thiru R. Rajupandi, Member  
Thiru K. Venugopal, Member

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**In the matter of : Master Metering Plan – Metering of Agricultural and hut services – deferment orders issued.**

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The Commission in its last Order No. T.O.1-118 dated 22-05-2009 approved the proposal of Government of Tamil Nadu to defer the metering of Agricultural (other than SFS) and Hut Services up to 30.09.2009.

(2) Commission had also directed TNEB in the above order to furnish the roadmap for installation of meters (Master Metering Plan) in hut and agricultural services including SFS category by 30-06-2009 so as to facilitate procurement of required number of meters in time and to commence installing meters from 01-10-2009. Since TNEB did not furnish the said roadmap by 30-06-2009, Government of Tamil Nadu was informed of the legal provisions in this regard and the fact of non-compliance by TNEB. Subsequent to this, TNEB approached the Government of Tamil Nadu vide their letter dated 13-07-2009 to request the Commission for getting extension of time limit to start metering process for a further period of 3 years from 01-10-2009 or as long as free supply is continued, wherein TNEB stated the following reasons:

- a. Huge expenditure is involved to the tune of around Rs. 1033 Crores in metering the agricultural and hut services.
- b. TNEB is now facing a critical financial position with an expected revenue gap of Rs. 6300 Crores during the year 2009-10.

- c. TNEB's main concern at this point of time is to add generation capacity of 7115 MW in the 11<sup>th</sup> five year plan and the estimated cost of state sector project is Rs. 13696 Crores for 2493 MW of capacity addition.
- d. In addition to the above, TNEB is concentrating on AT&C loss reduction under RAPDRP scheme.
- e. The meters released by replacing the Electro-mechanical/high quality meters into static meters will be utilized for metering of agricultural and hut services in a phased manner.
- f. Considering the above, metering of agricultural and hut services will serve no purpose at this juncture, and the expenditure incurred towards this can be better utilized for some other purpose like capacity addition, AT&C loss reduction, etc.

(3) The Government while forwarding the TNEB's letter has stated the following in their letter (Ms) No. 84, dated. 18-09-2009 and requested the Commission's consent and to issue directions to TNEB accordingly:

*"The Government after examining the request of the Principal Secretary and Chairman / TNEB have decided to move the Tamil Nadu Electricity Regulatory Commission to extend time for another 3 years from 01-10-2009 for installation of meters in Hut and Agricultural services including SFS category by TNEB."*

(4) In this context, Commission wishes to reiterate and record the following legal provisions in respect of metering of all the services:

- a. As per section 55 (1) of the Electricity Act 2003, no licensee shall supply electricity after expiry of two years from appointed date except through installation of correct meters.
- b. The clause 5.4.9 of the National Electricity Policy specifies that the State Electricity Regulatory Commissions may obtain from the Distribution Licensee their metering Plans, approve these and monitor the same.

(5) The spirit of the Act and the National Electricity Policy is not to supply electricity except through a correct meter beyond the period of two years. Now, more than four years are over beyond the period of two years provided in the Act ie. from 10.06.2005. At this juncture, the decision of the Government of Tamil Nadu to move the Commission to extend the time for another 3 years from 01-10-2009 for installation of meters based on the request of TNEB has been received.

(6) The second proviso of the section 55(1) of the Electricity Act, 2003 reads as follows:

*“Provided further that the State Commission may, by notification, extend the said period of two years for a class or classes of persons or for such area as may be specified in that notification.”*

In view of the above, Commission accepts the request of the Government of Tamil Nadu and approve the time extension proposal for installation of meters in Agricultural (including SFS category) and Hut services for a further period of three years from 01-10-2009 subject to the following conditions:

- (i) Further time extension will not be permitted by the Commission.
- (ii) TNEB may consider installing the meters atleast for new agricultural and hut services from 01-01-2010.
- (iii) Metering of Distribution Transformers (DTs) with remote metering facilities shall be completed on priority basis. TNEB shall include the following subjects in their quarterly return being sent to the Commission in future.
  - A detailed energy audit report made in respect of the Distribution Transformers provided with metering facilities,
  - Circle wise status report on the metering of Distribution Transformers.
- (iv) TNEB shall furnish the roadmap for installation of meters in existing Hut and Agricultural services including SFS category by 01-01-2010 so as to facilitate

procurement of required number of meters in time and to commence installing meters from 01.10.2012.

**(By order of the Commission)**

**Secretary,  
Tamil Nadu Electricity Regulatory Commission.**

**To  
The Chairman,** Tamil Nadu Electricity Board, Chennai 2.

Copy to the Secretary, Energy Department, Secretariat, Chennai – 9.