

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

Present : Thiru K. Venugopal, Member

Thiru S. Nagalsamy, Member

Suo Motu Order No. 1 of 2012 dated 15-3-2012

**In the matter of: Non acceptance of meters by TANGEDCO in case
consumer elects to purchase a meter.**

It has been brought to the notice of this Commission that there are delays in energizing new connections for want of meters. The general complaint is that both single phase and three phase meters are not available quite often, for various reasons, with the TANGEDCO. It has also been reported by various consumers and their associations that the TANGEDCO does not accept the meters purchased by them.

The Commission has received written complaint from the Builders Association of India.

The Commission addressed the Chairman and Managing Director, TANGEDCO vide letter No. TNERC/AD(L)/F. General/D.No 1346/2011 dated 11-10-2011, bringing out the provisions of the Electricity Act 2003, Metering Regulation issued by the CEA, TNERC's supply code, etc impressing upon the TANGEDCO, clearly bringing out the option available to the consumers to purchase the meters on their own which shall be tested, installed and sealed by the licensee.

A reply has been received from the CMD, TANGEDCO vide Letter No. SE/MM-II/EEM/A1/TNERC/D.976/11 dated 19-11-2011. This letter broadly deals with establishing independent third party meter testing arrangements and does not deal with the testing facilities which should be available with the licensee Viz., TANGEDCO.

1) The above issues have been examined by the Commission and the Commission would like to pass the following order in this regard.

1.1) Section 43 of the Electricity Act 2003 deals with duty to supply on request. This Section reads as follows:-

***Duty to supply on request: --- (1)** Save as otherwise provided in this Act, every distribution licensee, shall, on an application by the owner or occupier of any premises, give supply of electricity to such premises, within one month after receipt of the application requiring such supply:*

The above section casts a duty on the licensee to give supply of electricity within one month after receipt of the application.

1.2) Section 55 of the Electricity Act, 2003 deals with meters. This Section is extracted below for ready reference:-

***Section 55. (Use, etc., of meters): --- (1)** No licensee shall supply electricity, after the expiry of two years from the appointed date, except through installation of a correct meter in accordance with the regulations to be made in this behalf by the Authority:*

Provided that the licensee may require the consumer to give him security for the price of a meter and enter into an agreement for the hire thereof, unless the consumer elects to purchase a meter:

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.

(2) For proper accounting and audit in the generation, transmission and distribution or trading of electricity, the Authority may direct the installation of meters by a generating company or licensee at such stages of generation, transmission or distribution or trading of electricity and at such locations of generation, transmission or distribution or trading, as it may deem necessary.

(3) If a person makes default in complying with the provisions contained in this section or the regulations made under subsection (1), the Appropriate Commission may make such

order as it thinks fit for requiring the default to be made good by the generating company or licensee or by any officers of a company or other association or any other person who is responsible for its default.

First proviso to section 55 (1) enables a consumer to purchase a meter. Once a consumer elects to purchase a meter, the procedure for acceptance of such meter by licensee is envisaged in the corresponding Regulation issued by the CEA under Section 55 of the Electricity Act. The relevant Regulation is reproduced below:-

“6(2) Consumer meters:-

(a) Consumer meters shall be generally owned by the licensee

(b) If any consumer elects to purchase a meter, the same may be purchased by him. Meter purchased by the consumer shall be tested, installed and sealed by the licensee. The consumer shall claim the meter purchased by him as his asset only after it is permanently removed from the system of the licensee.

(c) All consumer meters shall bear BIS mark, meet the requirements of these regulations and have additional features as approved by the Appropriate Commission or pursuant to the reforms programmed of the Appropriate Government. To facilitate this, the licensee shall provide a list of makes and models of the meters”

1.3) The provision regarding establishing accredited testing laboratories is governed by Regulation 17 of Central Electricity Authority (Installation of Operation of Meters) Regulations, 2006. This Regulation is also reproduced below:-

“17. Quality assurance of meters:-

(1) The distribution licensee shall put in place a system of quality assurance and testing of meters with the approval of Appropriate Commission.

(2) The licensees shall set up appropriate number of accredited testing laboratories or utilize the services of other accredited testing laboratories. The licensee shall take immediate

action to get the accreditations of their existing meter testing laboratories from NABL, if not already done.

(3) The generating company or licensee shall ensure that all type, routine and acceptance tests are carried out by the manufacturer complying with the requirement of the relevant IS or BS or IEC as the case may be”;

1.4) The relevant provision under Electricity Supply Code is also extracted below:-

“(3) Unless the consumer elects to purchase his own meter, the Licensee shall provide meter of high quality, high precision and accuracy and may require the consumer to give adequate security for the price of the meter and pay the hire charges therefore. Where the consumer elects to purchase his own meter, the Licensee shall ensure that such meter is of high quality, high precision and accuracy and shall arrange to recalibrate the same at consumer cost.”

1.5) The Commission in its letter dated 11-10-2011 directed TANGEDCO to accept the meters supplied by the consumer and to send the action taken report to the Commission by 10-11-2011. The TANGEDCO in its reply dated 19-11-2011 has stated as follows:-

- (1) The meter testing laboratory should be an independent third party agency as per the National Electricity Policy.
- (2) There is no response to the tender floated to set up third party independent laboratories with NABL accreditation at Chennai, Coimbatore, Madurai and Trichy.
- (3) Efforts were taken during 2009 to utilize the services of existing third party meter testing laboratories, but as the charges claimed by them are 2 to 3 times of the cost of the meters, the consumers were not advised to procure and supply the meters.
- (4) Hence, non-acceptance of meters supplied by the consumers does not attract clauses under 142 and 146 of the Electricity Act, 2003 for non-compliance of directions by the Commission.

- (5) It is also proposed to float a new tender again to set up third party independent NABL accredited laboratories.
 - (6) As per clause 5.4.9 of National Electricity Policy, the State Electricity Regulatory Commission should also put in place independent third party meter testing arrangements.
- 1.6) The Commission is not satisfied with the response of TNEB dated 19-11-2011. There appears to be a complete misunderstanding of the provision of the Act and Regulations with regard to testing of meters supplied by the consumer and the third party testing to be established under the National Electricity Policy. While the provisions of the Act, the Regulation issued by the CEA and the Regulation of this Commission enables the consumer to opt for purchase of his own meter which needs to be tested by the licensee in its own lab, third party testing of meters would be required only when there is a dispute between the consumers and the licensee in accordance with Regulation 7(9) of Tamil Nadu Electricity Supply Code. This fine distinction has not been appreciated by the TANGEDCO. Under these circumstances, the Commission has no option but to direct TANGEDCO by this order under section 55(3) of the Electricity Act, 2003 to accept the meters purchased by the consumer and effect the service connection as stipulated in the Act / Regulations by following the procedure laid down in the Central Electricity Authority (Installation of Operation of Meters) Regulations, 2006. This would call for the following action by TANGEDCO.
- (1) TANGEDCO shall provide a list of makes and models of the meters to enable the consumer to buy any one of those meters for this purpose. The TANGEDCO shall notify atleast 4 makes of meters, duly keeping in view the make and type of meters being purchased by them.

- (2) The TANGEDCO shall put in place a system of quality assurance and testing of meters. Necessary approval for the same shall also be obtained from the Commission.
- (3) If TANGEDCO is satisfied with the Test Certificate issued by the manufacturer, which accompanies the meter and decides not to test such meters it will be the choice of TANGEDCO.

The make and type of meters to be procured by the consumer shall be notified in the website of TANGEDCO within one month from the date of issue of this Order. Directions contained in this Order shall become effective after two months from the date of issue of this Order.

An appeal against this Order lies with Appellate Tribunal for Electricity, New Delhi in accordance with Section 111 of the Electricity Act 2003.

Ordered accordingly.

Sd/-
(S. Nagalsamy)
Member

Sd/-
(K. Venugopal)
Member

/ True Copy /

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

Forwarding : 1) Director (Engineer) for communicating this order to TANGEDCO.

2) Assistant Director (Computer) for hosting in the website.