

TAMIL NADU ELECTRICITY REGULATORY COMMISSION
(Constituted under section 82 (1) of the Electricity Act 2003)
(Central Act 36 of 2003)

PRESENT:-

Thiru S.Akshayakumar	....	Chairman
Thiru.G.Rajagopal	....	Member
	and	
Dr.T.Prabhakara Rao	....	Member

In the matter of delay in replacing defective meters of consumers thereby violating the provisions of Regulation 11 of the Tamil Nadu Electricity Regulatory Commission - Tamil Nadu Electricity Distribution Standards of Performance Regulations, 2004.

Suo-Motu Proceedings No. 1 of 2013

Dates of hearing : 28-03-2013, 04-06-2013,
27-01-2014, 17-03-2014,
27-04-2016 and 28-06-2016.

Date of order : 29-12-2016

The above Suo-Motu proceedings were initiated consequent upon the report dated 31-10-2012 of the Investigating Authority appointed by the Commission under section 128 of the Electricity Act, 2003 to investigate on the delay in replacing defective meters by TANGEDCO during the period from 01-08-2010 to 31-07-2012.

The above Suo-Motu proceedings came up for final hearing on 28-06-2016 before the Commission and the Commission upon perusing the report of the Investigating Authority and the affidavits filed by the Chief Engineer (Commercial), TANGEDCO and after hearing the Chief Engineer (Commercial), TANGEDCO passes the following:-

ORDER

1. Facts of the Case:-

1.1. It was brought to the notice of the Commission that there were inordinate delay in replacement of defective meters of the consumers by Tamil Nadu Generation and Distribution Corporation Ltd. (TANGEDCO). The general complaint was that the TANGEDCO was not replacing defective meters of the consumers in time and consumers are subjected to hardship.

1.2. The Commission issued the Tamil Nadu Electricity Distribution Standards of Performance Regulations, 2004 fixing standards for various services to be rendered by the Licensee. The relevant provision dealing with replacement of defective meters is extracted below:-

“11. Replacement of meter:- Wherever the Licensees receive complaints or the Licensee found during inspection/meter reading that a meter in a service connection is not correct or defective or burnt, the Licensee shall replace the meter after collecting the charges as applicable within 30 days”

1.3. Section 128 of the Electricity Act, 2003 empowers the Commission to order investigation to the affairs of the licensee, if a licensee failed to comply with any of the provisions of the Act.

The said section 128 reads as follows:-

“128. Investigation of certain matters. - (1) The Appropriate Commission may, on being satisfied that a licensee has failed to comply with any of the conditions of licence or a generating company or a licensee has failed to comply with any of the provisions of this Act or rules or regulations made thereunder, at any time, by order in writing, direct any person (hereafter in this section referred to as “ Investigating Authority”) specified in the order to investigate the affairs of any generating company or licensee and to report to that Commission on any investigation made by such Investigating Authority:

Provided that the Investigating Authority may, wherever necessary, employ any auditor or any other person for the purpose of assisting him in any investigation under this section.

(2) *Notwithstanding anything to the contrary contained in section 235 of the Companies Act, 1956 (1 of 1956), the Investigating Authority may, at any time, and shall, on being directed so to do by the Appropriate Commission, cause an inspection to be made, by one or more of its officers, of any licensee or generating company and his books of account; and the Investigating Authority shall supply to the licensee or generating company, as the case may be, a copy of his report on such inspection.*

(3) *It shall be the duty of every manager, managing director or other officer of the licensee or generating company, as the case may be, to produce before the Investigating Authority directed to make the investigation under sub-section (1), or inspection under sub-section (2), all such books of account, registers and other documents in his custody or power and to furnish him with any statement and information relating to the affairs of the licensee or generating company, as the case may be, as the said Investigating Authority may require of him within such time as the said Investigating Authority may specify.*

(4) *Any Investigating Authority, directed to make an investigation under sub-section (1), or inspection under sub-section (2), may examine on oath any manager, managing director or other officer of the licensee or generating company, as the case may be, in relation to his business and may administer oaths accordingly.*

(5) *The Investigating Authority, shall, if it has been directed by the Appropriate Commission to cause an inspection to be made, and may, in any other case, report to the Appropriate Commission on any inspection made under this section.*

(6) *On receipt of any report under sub-section (1) or sub-section (5), the Appropriate Commission may, after giving such opportunity to the licensee or generating company, as the case may be, to make a representation in connection with the report as in the opinion of the Appropriate Commission, seems reasonable, by order in writing—*

(a) require the licensee or the generating company to take such action in respect of any matter arising out of the report as the Appropriate Commission may think fit; or

(b) cancel the licenece; or

(c) direct the generating company to cease to carry on the business of generation of electricity.

(7) *The Appropriate Commission may, after giving reasonable notice to the licensee or the generating company, as the case may be, publish the report submitted by the Investigating Authority under sub-section (5) or such portion thereof as may appear to it to be necessary.*

(8) *The Appropriate Commission may specify the minimum information to be maintained by the licensee or the generating company in their books, the manner in which such information shall be maintained, the checks and other verifications to be adopted by licensee or the generating company in that connection and all other*

matters incidental thereto as are, in its opinion, necessary to enable the Investigating Authority to discharge satisfactorily its functions under this section.

Explanation.- For the purposes of this section, the expression “ licensee or the generating company” shall include in the case of a licensee incorporated in India—

(a) all its subsidiaries formed for the purpose of carrying on the business of generation or transmission or distribution or trading of electricity exclusively outside India; and

(b) all its branches whether situated in India or outside India.

(9) All expenses of, and incidental to, any investigation made under this section shall be defrayed by the licensee or generating company, as the case may be, and shall have priority over the debts due from the licensee or the generating company and shall be recoverable as an arrear of land revenue.”

1.4. As the violation of the provisions of Regulation 11 of the said Standards of Performance Regulations, 2004 by the TANGEDCO was brought to the notice of the Commission and the Commission was satisfied that there was a prima facie case to act under section 128 of the Act, the Commission desired to know the cause for such violations so that remedial measures may be undertaken. The Commission therefore, in exercise of its powers under section 128 of the Electricity Act, 2003 (Central Act 36 of 2003) directed the Director (Tariff) of the Commission vide its Suo-Motu Order No.2 of 2012/D.No.993, dated 30-07-2012 to investigate the affairs of the Chennai South and Central Distribution Circles of the TANGEDCO with regard to delay in replacing the defective meters of the consumers and to report to the Commission on the investigation made by him.

1.5. The Investigation Authority submitted a report dated 31-10-2012. In paragraph 7.b of the report, the Investigating Authority has put forth his findings interalia as below:-

"b. Factual position of the issue referred for Investigation:-

The actual position of defective meters and its replacement for a period of two years from 01-08-2010 to 31-07-2012 as on 01-08-2012 was obtained from the computer centre of TANGEDCO. Section wise, sub-division wise and division wise details were obtained from the LT billing software. An abridged statement of the same is furnished hereunder. Detailed statement section wise, sub-division wise and division wise is annexed herewith:-

Statement showing the status of the replacement of defective meters and pending as on 01-08-2012

1. Name of the Circle : Chennai Electricity Distribution Circle (Central)

Name of the Division	Within 1 month	Within 3 months	Within 6 months	Within 1 year	Within 2 years	Pending as on 1.8.2012	Total meters replaced beyond the time limit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(2 to 5)
Chindadripet	1015	1570	1229	838	482	335	4119
Egmore	2489	2724	2678	1504	404	534	7310
Mambalam	2660	2440	1879	554	93	466	4966
Mylapore	2403	2460	1673	442	56	409	4631
Total	8567	9194	7459	3338	1035	1744	21026

N.B. The above details are as per the L.T. Billing Software which does not include consumers' complaints on defective meter, in that case it will be more.

From the above, it can be seen that only 8567 out of 31,337 defective meters were changed within the time limit of 30 days which works out to 27% only. 21,026 defective meters were changed with a delay ranging from two months to two years which works out to 67%. Balance 1744 defective meters have not been changed, pending as on 01-08-2012 which works out to 6%.

II. Name of the Circle: Chennai Electricity Distribution Circle (South)

Name of the Division	Within 1 month	Within 3 months	Within 6 months	Within 1 year	Within 2 years	Pending as on 1.8.2012	Total meters replaced beyond the time limit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)=(2 to 5)
Adyar	1952	1873	1446	1236	641	4849	5196
Guindy	2263	2616	2155	1872	785	4983	7428
IT Corridor	1022	1036	867	1084	662	2775	3649
K.K.Nagar	2461	2051	1496	1358	836	3180	5741

Porur	3037	2936	2095	2710	960	1970	8701
Tambaram	4167	5099	4203	4077	2493	10504	15872
TOTAL	14902	15611	12262	12337	6377	28261	46587

N.B. The above details are as per the L.T. Billing Software which does not include consumers' complaints on defective meter, in that case it will be more.

From the above, it can be seen that only 14,902 out of 89,750 defective meters were changed within the time limit of 30 days which works out to 17% only. 46,587 defective meters were changed with a delay ranging from two months to two years which works out to 52%. Balance 28,261 defective meters have not been changed, pending as on 01-08-2012 which works out to 31%.

The above details were communicated to all the participants of the distribution circles before the commencement of the hearings and they were given an opportunity of being heard during the proceedings of Investigating Authority. None of them objected to the same barring a few Assistant Engineers who have stated during the hearing that the actual figures of defective meters will be less by 20% to 30% due to errors in data entry by some assessors as they do not have enough training. However, they have not substantiated their view point with facts and figures either during the hearing or while sending their written submissions.

From the above, it is seen that the inordinate delay in replacing defective meters has been clearly established.”

1.6. In para 10 of his report, the Investigating Authority has concluded as below:-

“10. Conclusion:

1. *The analysis shows that there is clear delay in the replacement of defective meters by TANGEDCO.*
2. *Hence for all cases of delay, compensation as specified in the Tamil Nadu Electricity Regulatory Commission Distribution Standards of Performance Regulations is payable.*
3. *As poor quality of meter increases the incidence of defective meter, procurement of high quality of meter may be ensured by TANGEDCO.”*

1.7. On an examination of the report of the Investigating Authority, violation of provisions of Regulation 11 of the T.N.E.R.C.-Tamil Nadu Electricity Distribution Standards of Performance Regulations, 2004 by the TANGEDCO in the matter of replacing of defective meters of the consumers had been noticed by the

Commission. Therefore, the TANGEDCO had been directed to file its response on the findings and conclusions of the Investigating Authority, specifically with reference to paragraph 10 of the report vide the Commission's letter No. TNERC/DDL/F.Investigation/D.No.1651/2012, dated 17-12-2012. In its letter dated 07-01-2013, TANGEDCO requested to grant time extension upto 15-02-2013 for furnishing a detailed report in the subject matter. The Commission granted extension of time upto 31-01-2013 to the TANGEDCO for furnishing a detailed report in regard to the delay in replacing of defective meters of the consumers. The TANGEDCO submitted its response dated 31-01-2013 enclosing the following details on the status of tenders for procurement of single phase and three phase meters.

"We wish to inform the following in respect of delay in replacing the defective meters by TANGEDCO during the period from 01-08-2010 to 31-07-2012:-

- (i) Compensation will be paid to the affected consumers during the period from 01-08-2010 to 31-07-2012 for the delay in replacement of defective meters by TANGEDCO, based on the claim made by the individual consumer as per Regulation 22(II) of Distribution Standards of Performance.*
- (ii) Though tenders could not be finalized in time in the past due to court case during the investigation period, action is being taken to procure the required quantity of meters so as to replace the defective meters in time.*
- (iii) In order to ensure the quality of meters supplied by the firms, the tender sample meters are being sent to CPRI for testing. On receipt of the meters supplied by the firms, the random samples are also being taken and sent to CPRI for testing. If the random sample meters do not pass the test conducted at CPRI, then the entire lot will be rejected and the payment for the lot concerned will also be withheld. Further to ensure the quality of meters supplied by the firms stringent clauses are incorporated in the POs issued to the firms.*

- (iv) *A detailed report on the status of tenders for procurement of single phase and three phase meters is enclosed.”*

1.8. After duly considering the report of TANGEDCO, the Commission decided to initiate Suo-Motu Proceedings against TANGEDCO under section 142 of the Electricity Act. Accordingly the Commission took up the case as S.M.P.No.1 of 2013 and heard the S.M.P. on 28-03-2013, 04-06-2013, 27-01-2014, 17-03-2014, 27-04-2016 and 28-06-2016.

1.9. Pursuant to the direction of the Commission during the hearing on 28-03-2013, the Chief Engineer (Commercial), TANGEDCO in his sworn affidavit dated 27-05-2013 submitted inter-alia that as on April 2013, the total number of defective meters to be replaced was 1,32,747 and in order to replace defective meters, TANGEDCO has ordered for adequate number of single phase and three phase meters. The requirement of meters would be met out from the meters under pipeline and as such, sufficient quantity of single phase and three phase meters are expected from May 2013. Hence, it is certain that meters will always be available in all the Electricity Distribution Circle (EDC) stores to replace the defective meters. The status of procurement of meters was as below:-

“(a) Single Phase 5-20 Amps Static Meters:-

- (i) *Purchase orders have been placed for a quantity of 17 lakhs Nos. Single Phase meters during March 2013.*
- (ii) *Out of 17 lakhs of meters ordered, 1,63,333 meters have been received from the suppliers as on 19-04-2013.*
- (iii) *Further meters at the rate of 2.83 lakhs per month are expected to be received from the suppliers from May 2013 onwards. Further action is being taken for procurement of 30 lakhs meters for the year 2013-14.*

(b) Three Phase 10 – 60 Amps Static Meters:

- (i) Purchase orders have been placed for a quantity of 7.5 lakhs during February 2013.*
- (ii) Out of 7.5 lakhs Nos. of meters ordered, 1,22,728 meters have been received from the suppliers as on 19-04-2013.*
- (iii) Further meters at the rate of 1.25 lakh per month are expected to be received from the suppliers from May 2013 onwards. Action is being taken for procurement of 30 lakhs Single Phase meters and 9 lakhs Three Phase meters for the year 2013-14.”*

1.10. TANGEDCO submitted that as sufficient quantity of single phase and three phase meters are expected from May 2013, replacement of defective meters of the consumers will be carried out as per the Standards stipulated in Distribution Standards of Performance Regulation.

1.11. In the above affidavit, TANGEDCO further submitted that a total amount of Rs.1000/- has been paid to the consumer concerned for the delay in replacing of defective meters of the consumers as per Electricity Ombudsman’s order dated 13-02-2012 in Appeal No. 79 of 2010.

1.12. During the hearing on 04-06-2013, the Chief Engineer (Commercial) appeared and explained that sufficient number of meters have been ordered both for Single Phase and Three Phase for replacing the defective meters. He also explained that additional defective meters were also reported even as they were changing the existing defective meters. He assured to change all the existing defective meters by July 2013. The Chief Engineer was directed to file a detailed report by 30th June 2013 regarding replacing defective meters without delay and clearing the backlog of defective meters.

1.13. The SMP was taken up for considering the report of the Chief Engineer (Commercial) and for further hearing on 27-01-2014. The Chief Engineer was present. After considering the affidavit dated 27-05-2013, he was directed to submit the details about the present situation in the replacement of the defective meters within a stipulated time frame and also the action TANGEDCO proposed to take for the delay during the past period in replacing defective meters.

1.14. In his sworn affidavit dated 14-03-2014, the Chief Engineer submitted that during 2010-11, there was a backlog in defective meter replacement due to shortage of meters. The backlogs have been cleared with a supply of 17 lakhs single phase meters and 7.5 lakhs three phase meters. At present, sufficient quantity of single phase and three phase meters are available in all EDC stores to replace defective meters and that as on 15-02-2014, the pending defective meters to be replaced is 14526, out of which 13666 Nos. are within the time schedule. The delay in replacing the defective meter is neither willful nor wanton. The Chief Engineer further stated in the affidavit dated 14-03-2014 that compensation for the delay in replacement of defective meters will be paid to the affected consumers after a detailed study on case to case basis by concerned Chief Engineers / Distribution / Region based on the claim made by the individual consumer, if the delay is due to Licensee.

2. Submissions in the Additional Affidavit dated 10-06-2016:-

2.1. During the hearing on 27-04-2016, the Commission had directed TANGEDCO to file a consolidated reply on the subject matter covering the entire State.

2.2. As on 17-05-2016, total number of defective meters to be replaced was 10,515 (Single phase meters: 9,886 Nos. and Three phase meters: 629 Nos.) which is within time period stipulated by the Commission in the Distribution Standards of Performance Regulations.

2.3. The present status of procurement of meters and stock are furnished below:-

(a) Single Phase 5-20 A Static Meters:

- (i) Purchase orders have been placed for a quantity of 30 lakhs numbers of Single Phase meters from 10/2015 to 02/2016.
- (ii) Out of 30 lakhs of meters ordered,
 - a. Supplied quantity in Nos. : 19.40 lakhs
 - b. Under transit in Nos. : 1.83 lakhs and
 - c. To be supplied shortly in Nos. : 8.77 lakhs

(b) Three Phase 10-60 A Static Meters:

- (i) Procurement of 10.00 lakhs of 3 phase 10-60 meters is under process.
- (ii) Stock in Nos. : 0.75 lakhs

Hence, meters will always be available in all EDC stores to replace defective meters.

2.4. The defective meters are identified by Assessors, Inspectors of Assessment, Revenue Supervisors, Account Supervisors of Revenue Branch, Revenue Intelligence Squad, Division Level Mass Raids, Circle Level Mass Raids, Routine Inspections and on representations from the consumers. As sufficient quantity of single phase and three phase meters are available, replacement of defective meters will be carried out as per the standards stipulated in Distribution Standards of Performance Regulation.

3. Findings of the Commission:-

3.1. It was brought to the notice of the Commission that there were inordinate delays in replacing defective meters of consumers by Tamil Nadu Generation and

Distribution Corporation Ltd. (TANGEDCO) and thereby violating the provisions of Regulation 11 of the T.N.E.R.C.-Tamil Nadu Electricity Distribution Standards of Performance Regulations, 2004.

3.2. Although the Commission is frequently calling upon TANGEDCO, to comply the statutory provisions and fulfill the consumers' requirement as per law, the complaints from the consumers were only increasing day by day. The Commission was unable to understand what actually deterred the officials of TANGEDCO from taking timely action in the aforesaid matter. It desired to know the cause for such violation by TANGEDCO so that remedial measures may be undertaken at the earliest. Section 128 empowers the Commission to order investigations into the affairs of the licensee, if a licensee fails to comply with any of the provisions of the Electricity Act, 2003 (Central Act 36 of 2003). The said section 128 reads as follows:-

*“128. Investigation of certain matters.- (1) The Appropriate Commission may, on being satisfied that a licensee has failed to comply with any of the conditions of licence or a generating company or a licensee has failed to comply with any of the provisions of this Act or rules or regulations made thereunder, at any time, by order in writing, direct any person (hereafter in this section referred to as “ Investigating Authority”) specified in the order to investigate the affairs of any generating company or licensee and to report to that Commission on any investigation made by such Investigating Authority:
.....”*

Hence under the provisions in section 128 of the Electricity Act. 2003, the Commission directed Director (Tariff) of the Commission as Investigating Authority vide its Suo Motu Order No.2 of 2012/D.No.993/ dated 30.07.2012 to investigate on the delay in replacement of defective meters of the consumers in the Chennai South and Central Distribution Circles of the TANGEDCO and to report to the Commission.

3.3. The Investigating Authority's report covers the period from 01.08.2010 to 31.07.2012.

3.4. Before going into the details of the report, the provisions in TNERC's Tamil Nadu Electricity Distribution Standards of Performance Regulations, 2004 on "Replacement of meters" and other related provisions need to be looked into. The extract of the provisions are reproduced below:

"11. Replacement of meters:-

Wherever the Licensee receives complaints or the Licensee found during inspection/meter reading that a meter in a service connection is not correct or defective or burnt, the Licensee shall replace the meter after collecting the charges as applicable within 30 days.

21. Compensation

The Licensee is expected to achieve the performance prescribed. If a Licensee fails to meet the standards specified for various service areas, the affected consumer is entitled for compensation by the Licensee as stipulated in the Act. The compensation payable is set out in the Table below namely:-

<i>Table</i>		
<i>Sl. No.</i>	<i>Event</i>	<i>Compensation payable</i>
1.	.....	.....
2.	.....	.....
3.	<i>Replacement of meters</i>	<i>Rs.100/- per day of delay subject to a maximum of Rs.1000/-</i>
.....

22. Procedure for Payment of Compensation:

The claim for compensation shall be dealt with in the following manner:

- I. Automatic- This mode of payment requires the Licensee to pay the compensation amount to the affected consumer automatically, following the non-compliance to a particular standard in the next billing cycle through credit entry in the consumption bill.*
- II. Upon claim: An aggrieved consumer has the right to claim the compensation for non-compliance of the standards if the Licensee fails to pay the compensation in the next billing period by representing to the designated employee of the Licensee."*

3.5. Now going into the report of the Investigating Authority on the sample study of Chennai/South and Central Distribution Circles, it is noted that a detailed investigation on various issues like sourcing of information on defective meter,

capturing the same in the billing software, maintenance of defective meter register in section offices, information as to the replacement of defective meters, availability of information regarding overall defective meters and information on periodicity of the replacement of defective meter and the overall pendency of defective meter still to be replaced etc. has been carried out by the Investigating Authority

3.6. The abstract of the findings of the Investigating Authority is as below:-

“The actual position of defective meters and its replacement for a period of two years from 01.08.2010 to 31.07.2012 as on 01.08.2012 has been obtained from the computer centre of TANGEDCO of Chennai/South and Chennai/Central Circles.

Details of defective meters:

During the period of investigation, in respect of Chennai (Central) Circle, defective meters changed within the stipulated time limit of 30 days works out to 27% only i.e only 8567 out of 31,337 defective meters were changed. 21,026 which work out to 67% defective meters were changed with delay. The delay ranged from one day to two years. Balance 1744 defective meters have not been changed and pending as on 01.08.2012 which works out to 6%.

Regarding Chennai (South) Circle, only 14,902 out of 89,750 defective meters were changed within the time limit of 30 days which works out to 17%. 46587 defective meters were changed with a delay of upto two years which works out to 52%. Balance 28,261 defective meters have not been changed and pending as on 01.08.2012 which works out to 31%.

The above details as per LT Billing software does not include consumers' complaints on defective meter, in that case the numbers will be still more.

Reasons for delay in replacement of defective meters:

Even though various reasons have been attributed such as non-availability of meter, poor quality of meter, dearth of man power, lack of transport facility etc., the main reason for delay in replacement of defective meter is non-availability of meters. The responsibility for this delay squarely falls on the Head Quarters of TANGEDCO, as procurement and allotment of meters to various regions lies with the HQs. only.

Conclusion:

The report concludes that there is clear delay in replacement of defective meters by TANGEDCO. Hence for all cases of delay, compensation as specified in the TNERC Distribution Standards of Performance Regulations is payable. As poor

quality of meter increases the incidence of defective meter, procurement of high quality meter is to be ensured by TANGEDCO.”

3.7. On examination of the report of the Investigating Authority, violation of provisions of Regulation 11 of the TNERC-Tamil Nadu Electricity Distribution Standards of Performance Regulations, 2004 by TANGEDCO has been noticed. TANGEDCO was directed to file its response on the findings and conclusions of the Investigating Authority.

3.8. In response, TANGEDCO has submitted the following:

(i) Compensation will be paid to the affected consumers during the period from 01.08.2010 to 31.07.2012 for the delay in replacement of defective meters by TANGEDCO, based on the claim made by the individual consumer as per Regulation 22(II) of the TNERC-Tamil Nadu Electricity Distribution Standards of Performance Regulations, 2004.

(ii) Tenders could not be finalized in time in the past due to court case during the investigation period. However, action is being taken to procure the required quantity of meters so as to replace the defective meters in time.

(iii) In order to ensure the quality of the new digital meters supplied by the firms, the tender sample meters are being sent to CPRI for testing. On receipt of the meters supplied by the firms, the random samples are also being taken and sent to CPRI for testing. If the random sample meters do not pass the test conducted at CPRI, then the entire lot will be rejected and the payment for the lot concerned will also be withheld. Further to ensure the quality of meters supplied by the firms stringent clauses are incorporated in the Purchase Orders issued to the firms.

3.9. After duly considering the report of TANGEDCO, in an effort to improve the quality of service, the Commission decided to initiate Suo-motu Proceedings SMP 1 of 2013 against TANGEDCO and directed during the hearing on 28.03.2013 to file a consolidated reply on the subject matter covering the entire State.

3.10. TANGEDCO submitted that as on April 2013, the total number of defective meters to be replaced throughout the State was 1,32,747 and in order to replace defective meters, adequate number of single phase and three phase meters have been ordered and supply expected from May 2013.

3.11. The Commission was not satisfied with the progress reported by TANGEDCO, as large numbers of defective meters were yet to be changed and directed TANGEDCO in the hearing held on 04.06.2013 to file a detailed report regarding clearing the backlog in change of defective meters.

3.12. The status report dated 2nd July 2013 of TANGEDCO specify that of 1,32,747 defective meters, 1,27,718 meters pending upto 31.03.2013 have been replaced and balance 5029 meters have been allotted to clear pendency upto 31.03.2013 and work will be completed on or before 31.07.2013. Average billing is done for the defective meters replacement cases as per provisions in TN Electricity Supply Code and no consumer has sought for compensation for delay in the replacement of defective meters.

3.13. Finally, as directed by the Commission during the hearing on 27.04.2016, a detailed status report has been furnished by TANGEDCO which indicate that total number of defective meters to be replaced is 10,515 (Single phase meters: 9886

Nos. and Three phase meters: 629 Nos.) which are within the time period which is one month and as sufficient quantity of single phase and three phase meters are available, replacement of defective meters are being carried out as per the standards stipulated in the TNERC-Tamil Nadu Electricity Distribution Standards of Performance Regulations, 2004.

3.14. Thus from the several status affidavits of TANGEDCO, the Commission observes that the backlog during the investigating period has been due to non-availability of meters. It has been noticed that the tenders for procurement of meters could not be processed due to obtaining of stay orders from the Hon'ble High Court by some of the bidders. Subsequent to clearances from the Hon'ble High Court, speedy action has been taken to make available sufficient quantities of single phase and three phase energy meters and the defective meters are replaced within the time frame as stipulated in the said Regulations.

3.15. However, the Commission is of the opinion that the number of defective meters pending replacement at a time is high. Considering the Investigating Authority's remark that the billing software does not capture the consumer complaints on defective meters, the number would be still higher. There might also be instances where the defective meters in service have not been reported by the consumer. So the Utility is advised to take up a special drive to check the healthiness of energy meters in consumer services and prompt replacement carried out if required as continuance of defective meter is a definite source of revenue leakage to TANGEDCO.

3.16. In this context, TANGEDCO is also directed to tighten the process of procurement to ensure sourcing of good quality meters as poor quality meters

increases occurrence of defective meters. Reasonable quantity of meters shall also be maintained as rolling stock.

3.17. Further, the time limit fixed by the Commission for replacement of defective meters is only a benchmark. The Utility in order to safeguard its own interest, is instructed that adequate workmen may be deployed for immediate replacement of defective meters.

3.18. Inasmuch as TANGEDCO has stated that action is taken to ensure availability of sufficient quantity of single phase and three phase meters and defective meters are replaced as per the Standards stipulated in the TNERC- Tamil Nadu Electricity Distribution Standards of Performance Regulations, 2004, the above SMP No. 1 of 2013 is closed with the above instructions to the Utility.

4. Appeal:-

An appeal against this order lies before the Appellate Tribunal for Electricity under section 111 of the Electricity Act, 2003, within a period of 45 days from the date of receipt of a copy of this order by the aggrieved person.

(Sd)
(Dr.T.Prabhakara Rao)
Member

(Sd.....)
(G.Rajagopal)
Member

(Sd.....)
(S.Akshayakumar)
Chairman

/ True Copy /

Secretary
Tamil Nadu Electricity
Regulatory Commission