



Bihar Electricity Regulatory Commission

Vidyut Bhawan-II, J.L. Nehru Marg, Patna 800 021

Case No. 04/2023

In the matter of:

Petition for inclusion of suitable provisions in the Bihar Electricity Supply Code, 2007 for facilitating Smart Metering roll out under Revamped Distribution Sector Scheme (RDSS) in exercise of the powers conferred u/r 12.6 of the Bihar Electricity Supply Code, 2007 and Regulations 39 of the BERC (Conduct of Business) Regulations, 2005 on behalf of both the DISCOMs i.e SBPDCL & NBPDCCL.

And

In the matter of:

Chief Engineer (Comm.),SBPDCL

..... Petitioner

Quoram:

- | | | |
|------------------|---|----------|
| 1. Shishir Sinha | - | Chairman |
| 2. S.C Chaurasia | - | Member |
| 3. A.K Sinha | - | Member |

Appearance:

1. Shri Arvind Kumar, General Manager (Rev.) 2. Shri Purushottam Prasad, CE (Comm.) 3. Shri Manish Kumar, ESE (HT) 4. Shri Chandan Kumar, ESE (Metering) 5. Shri Irshad Akhtar, EEE (Comm.) 6. Shri Vineet Kumar (EEE/Metering) 7. Shri Abhay Kumar, AEE (Comm.) 8. Smt. Julie Kumari, AEE (Commercial) 9. Kumar Deo, Consultant	SBPDCL
1. Shri Deepak Kumar, CE (Comm.) 2. Shri Jayant Kr. Dubey, ESE (Energy Acct.) 3. Smt. Manju Kumari, AEE (Commercial) 4. Kumar Deo, Consultant	NBPDCCL
1. Shri Sanjay Bhartiya (Member)	Bihar Industries Association (BIA)

1. Shri Basu Sarraf (Member)	Bihar Steel Manufacturer Association (BSMA)
1. Shri Subhash Patwari (Convenor Industry Sub-Committee)	Bihar Chamber of Commerce and Industries (BCCI)

Date of hearings: -13.04.2023, 16.05.2023, 16.06.2023.

ORDER

Dated: 27.06.2023

1. Introduction:

The Chief Engineer (Commercial), SBPDCL on behalf of both the DISCOMs i.e. NBPDCCL & SBPDCL has filed a petition on 13.10.2023 to:

- a) Pass an Order for implementation of the advisory issued by the MoP vide letter dated 13.09.2022 to the extent as submitted in this Petition and described below-

In case of finding higher demand post conversion to prepaid/ smart metering-

- i) no penalties will be imposed on the consumers and bills will be raised on the basis of actual load and consumption.
- ii) The demand charges will be charged on the basis of actual demand every month, with an option given to consumers to revise the same as per his own assessment.
- iii) Penalties, however, will be admissible in case the actual demand goes beyond the consumer opted demand. For this purpose, the consumer mobile App will send notifications/ SMS to the consumers as and when the demand charges go beyond the consumer opted demand.
- iv) Consumers will be provided a period of six months post installation of smart meter to get attuned to this system without levying any penalties.

- b) Consider these recommendations as a part of submission made by the DISCOMs for amendments in the Bihar Supply Code

2. Submission of the Petitioner: The relevant excerpts of the petition are reproduced below:

- A. Ministry of Power issued an Advisory vide its letter dated 13th September 2022, in the subject matter **“Advisory on issues relating to Smart Metering**

Roll Out under RDSS” wherein it recommended that for faster rollout of the Smart Metering, there is a need to address certain issues being faced by the consumers and the recommendations to be implemented immediately in the States/ DISCOMs while rolling out Smart Meters. The relevant extract from the said letter is as reproduced below:

“

*With a progressive increase in number of Smart Meters across the Country, the experience gained suggests that the same is being received well by the consumers. **For faster rollout, there is a need to address certain issues being faced by the consumers.***

2. *One of the consumers is levying of penalties by the DISCOMs on consumers on finding higher connected load immediately after the installation of Smart Meters. The second concern emanates from the deduction of arrears, which in many cases is quite high in comparison to the current monthly bill/consumption. **Addressing these concerns is of utmost importance to ensure consumer satisfaction and reducing resistance in take up of prepaid Smart Metering. These guidelines are issued to ameliorate these concerns of the consumers.***

3. *In so far as the levying of penalties regarding higher than connected load is concerned, since DISCOMs have not been previously measuring and intimating the demand charges to consumers on regular basis, it is imperative that in case of finding higher demand post conversion to prepaid/smart metering, no penalties are imposed from the consumers and bills are raised on the basis of actual load and consumption. The system of charging of the demand charges should be such that the default mode of billing/deductions is on the basis of actual demand every month, with an option given to consumers to revise the same as per his own assessment. Penalties, however, shall be admissible in case the actual demand goes beyond the consumer opted demand. For this purpose, the consumer mobile App should send notifications/ SMS to the consumers as and when the demand charges go beyond the consumer opted demand. Further, DISCOMs may like to give consumers a period of six months post installation of smart meter to get attuned to this system without levying any penalties. **For this purpose, the Supply Code of the DISCOMs may be amended for which DISCOMs may take up with SERCs.***

4. ----

5. The above advisory may be implemented immediately in the States/ DISCOMs while rolling out Smart Meters. Consumers need to be educated well in advance of the rollout about the mechanisms so designed."

- B. In the backdrop of above, this is to submit that this instant petition has been filed proposing the desired changes to be done in the existing procedures pertaining to levying of penalties on the consumers in case of higher connected load than the sanctioned load immediately after the installation of Smart Meters.
- C. As far as the deduction of arrears for pre-paid smart meter consumers in concerned, the Bihar DISCOMs already have in place an arrear recovery mechanism wherein the consumers are allowed to pay their arrears/dues in equal installments in a time period of 300 days. So, the prayer in this Petition has been made limited to the issue of higher connected load than the sanctioned load only. Further, consumers have also the option to opt for one-time payment or part payment of his complete arrears.

PROVISIONS FOR PREPAID SMART METERS IN THE BIHAR ELECTRICITY SUPPLY CODE, 2007 AND THE TARIFF ORDER DATED 25.03.2022 FOR THE STATE DISCOMs

- D. The Bihar Electricity Supply Code, 2007 already has the provision for supply of electricity through pre- paid meters.
- E. The Hon'ble Commission in Tariff Order dated 25.03.2022 for the State DISCOMs had provisionally approved the procedure till the same is deliberated and included through proceeding for an amendment in the Bihar Electricity Supply Code, 2007. The relevant extract of the aforesaid Tariff Order is as follows:

*"The Commission opines that presently there is a void for the procedures for disconnection and reconnections for pre-paid smart meter consumers as the Bihar Electricity Supply Code, 2007 doesn't address the same. Hence, the Commission considering the present scenario that the Discoms already have a significant of existing consumers, **is approving the proposed procedure provisionally till the same is deliberated and included through proceeding for an amendment in the Bihar Electricity Supply Code, 2007.** The Discoms are directed to bring the*

above proposal before the Review Panel under the Bihar Electricity Supply Code for necessary consideration."

- F. As above, the Hon'ble Commission directed the State DISCOMs to bring before the Review Panel constituted under the Bihar Electricity Supply Code for proposing any necessary changes in the provisions related to the prepaid Smart Meters. In compliance to this, the DISCOMs are in the process for submitting their proposal regarding necessary amendments to be made in the Bihar Electricity Supply Code, 2007 before the Hon'ble Commission for reviewing it by the Electric Supply Code Review Panel (ESCRP).
- G. However, the MoP through the concerned letter has asked the States/UTs to immediately implement the relevant provisions for faster and proper rollout of the Smart Meters. Hence, the Petitioner need to file this instant petition as per the recommendations/ advisories issued by the MoP.

Regulatory Provisions

H. **The Electricity Act, 2003**

86 (1) Functions of State Commission – The State Commission shall discharge the following functions, namely:-

.....

(h) specify State Grid Code consistent with the Grid Code specified under clause (h) of sub-section (1) of section 79

I. **Bihar Electricity Supply Code, 2007**

12.6 Power to remove difficulties-

If any difficulty arises in giving effect to any of the provisions of this Code or there is a dispute regarding interpretation of any provision, the Commission shall pass necessary orders to remove such difficulties or disputes of interpretation.

J. **BERC (Conduct of Business) Regulations, 2005**

39. Power to remove difficulties- *If any difficulty arises in giving effect to any of the provisions of these Regulations, the Commission may, by general or special order, do anything not being inconsistent with the provisions of the Act, which appears to it to be necessary or expedient for the purpose of removing the difficulties.*

3. Admission of the Current petition, Hearing and Commission's Analysis

After examination and scrutiny the petition registered in the case register on 31.03.2023. The Commission, perused the petitioner on 03.04.2023 and issues notice that the

Petition will be heard on the point of admission on 18.04.2023, 11:30 AM, this date of hearing further rescheduled to earlier date i.e. on 13.04.2023.

The Commission, while hearing the cases on 13.04.2023, directed the petitioner to publish an abridge form of the petition in at least one Hindi and one English newspaper in font size of 10-12 having wide circulation in the State of Bihar inviting general public and its stakeholder`s comments/objections/suggestions, fixing the date of hearing on 12.05.2023. The interested person/organization may file their comments/objections/ suggestions to the Secretary, BERC on or before 09.05.2023.

Date of hearing 12.05.2023 further rescheduled to 16.05.2023. The Commission heard the matter on 16.05.2023. On the previous hearing, petitioner was directed to publish an abridge form of the petition in at least one Hindi and one English newspaper inviting general public and its stakeholder`s comments/objections/suggestions; however, petitioner has not complied with the aforesaid order, and during the course of hearing, petitioner requested to grant one-week time to comply with the order of the Commission. The Commission accords the request of the petitioner and grants one week's time to publish the abridged form of petition inviting comments/suggestions/objections from general public and stakeholders allowing Interested person/organizations to file their comments/suggestion/objections before the Secretary, Bihar Electricity Regulatory Commission, Vidyut Bhawan-II, Bailey Road, Patna on or before 13.06.2023 by 5.00 P.M and fixes the next date of hearing of this case on 16.06.2023 at 11:30 A.M.

Further, in course of hearing the representative of Bihar Industries Association requested to consider the matter related to modification of Bihar Electricity Supply Code, 2007 as it has become quite old since its last amendment done in 2020, whereas the electricity sector of the state has witnessed many changes thereafter, necessitating a complete re-look to the Bihar Electricity Supply Code, 2007. The BIA also submitted its suggestion on modification of Bihar Electricity Supply Code in book form covering details on almost each and every clause of the code. The Commission takes note of the above but is not inclined to club the issue of complete re-look in to various provisions of the Bihar Electricity Supply Code 2007 with the present case. It is, however, directed that a copy of the suggestions as submitted by BIA be forwarded to the Supply Code Review Panel who will consider the points raised by BIA and shall submit its recommendation/suggestion to the Commission at the earliest for further action. It is further to add that comments/suggestions of concerned institutions/body corporate/ stake holders/general public, if any, shall also be considered by the aforementioned panel while submitting its recommendation/suggestion.

Chief Engineer Commercial, SBPDCL, vide their letter no 581 dated 02.06.2023 submitted the compliance of Commission`s direction, none of the general public or stakeholder`s have submitted their comments/objections/suggestions. The Commission heard the matter on 16.06.2023 and accordingly reserved the Order.

4. Order

In view of above stated facts and considering the Advisory dated 13th September 2022 of Ministry of Power for faster rollout of the Smart Metering as stated above, the Commission modifies the Bihar Electricity Supply Code, 2007 for facilitating Smart Metering rollout is annexed herewith as Annexure-A.

The Commission directs the Secretariat to ensure publication of the Bihar Electricity Supply Code, (Seventh amendment), 2023 in the Official Gazette

**Sd/-
(A.K. Sinha)
Member**

**Sd/-
(S.C. Chaurasia)
Member**

**Sd/-
(Shishir Sinha)
Chairman**

Bihar Electricity Regulatory Commission
Bihar Electricity Supply Code (Seventh amendment) Regulations, 2023

In exercise of powers conferred by sub section (1) of section 181 and sub section (2) of section 181, read with sections 50, 43(1), 44, 46, 47(4) and 56 of the Electricity Act, 2003 (36 of 2003) and all other powers enabling it in this behalf, and also for removal of difficulties of various stakeholders, Bihar Electricity Regulatory Commission hereby makes the 7th amendment in Bihar Electricity Supply Code, 2007 which was originally issued vide Notification No BERC/Reg-6/2006-529 dated 31st December, 2007 and published in extraordinary Bihar Gazette on 10 January 2008. The Notification of first amendment was published in Bihar Gazette No. 603 dated 18th August, 2010, second amendment in Gazette No. 120 dated 29th March, 2012, third amendment was published in Gazette No. 172 dated 4th March, 2013, fourth amendment was published in Gazette No. 585 dated 19th May, 2015, 5th amendment was issued in Gazette No. 179 dated 25th February 2016 and the 6th amendment was issued in Gazette No. 205 dated 16th March 2020.

Chapter- 1
GENERAL

1. Short Title, Commencement and Extent. -
 - 1.1 The Code shall be called the “Bihar Electricity Supply Code (7th Amendment), 2023”.
 - 1.2 This Code shall come into force from the date of their notification in the Official Gazette.
 - 1.3 This Code shall extend to the whole of the State of Bihar

Chapter- 9
BILLING

2. Clause 9.28 shall be inserted after Clause 9.27 of the Principal Regulation: -

“9.28 Notwithstanding anything contained in these Code, any other Regulations and Tariff order; in case of finding higher demand post conversion of consumer to prepaid/ smart metering-

 - v) No penalties will be imposed on the consumers and bills will be raised on the basis of actual load and consumption.
 - vi) The demand charges will be charged on the basis of actual demand every month, with an option given to consumers to revise the same as per his own assessment.
 - vii) Penalties, however, will be admissible in case the actual demand goes beyond the consumer opted demand. For this purpose, the consumer mobile App will send notifications/ SMS to the consumers as and when the demand charges go beyond the consumer opted demand.
 - viii) Consumers will be provided a period of six months post installation of smart meter to get attuned to this system without levying any penalties”

By order of the Commission,
Sd/-
Secretary.