



ASSAM ELECTRICITY REGULATORY COMMISSION

A.S.E.B. Campus, Dwarandhar,

G. S. Road, Sixth Mile, Guwahati – 781 022

Statement of Objects and Reasons

Introductory Part

**Assam Electricity Regulatory Commission (Electricity Supply Code
and related matters) Regulations, 2017.**



ASSAM ELECTRICITY REGULATORY COMMISSION

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CORAM

Shri Naba Kumar Das, Chairperson

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Shri Subhash Ch. Das, Member

Assam Electricity Regulatory Commission (Electricity Supply Code and related matters) Regulations, 2017.

Objects and Reasons

A. Introduction

A.1 The Supply Code Regulations:

The Supply Code Regulations is one of the most important Regulations of State Electricity Regulatory Commissions (SCRCs).

The AERC Supply Code Regulations notified in the year 2004 was amended twice. First amendment was in the year 2007 to add a chapter V(A) related to issues connected with theft and unauthorised use of electricity based on amendments of the provisions of the Electricity Act, 2003. The second amendment was done in 2008 related to issues regarding Load Survey.

A.2 Coverage of the Regulations:

The Regulations details the rights and obligations of the licensee and consumers towards each other and specifies a set of practices, standards and norms required to be adopted by a licensee to provide efficient, cost-effective and consumer friendly service to the consumers.

The Regulations inter alia covers:

- (1) The procedure for connection, disconnection, reconnection, assessment of load, Changes in existing connections (load modifications, change of name, change of Tariff category etc.)

- (2) Practices relating to consumer metering, billing and payment of bills.
- (3) Matters related to theft and unauthorized use of energy.

A.3 Related provisions of the Electricity Act, 2003

This Code is made under provision of clause x of sub Section 2 of Section 181 of the Electricity Act, 2003 which provides that the State Commission shall make 'Electricity Supply Code' (Regulations) under Section 50 of the Act.

The Section 50 of the Act covers provisions for the following matters:

- (i) Recovery of Electricity Charges
- (ii) Intervals of billing of electricity charges
- (iii) Disconnection of electricity for non-payment of charges
- (iv) Restoration of supply of electricity
- (v) Measures for tempering, distress or damage to electric plants, electric lines and meters
- (vi) Entry of distribution licensee or any other person for disconnection of power supply and removal of meter and entry for replacing, altering, maintaining electric lines or plants and meters

As provided under Section 50 of the Act, this Code also includes 'such other matters' which may cover matters related to supply of electricity to a person ,as provided under different Section of the Act-

(a)Under sub-section 181(2)(t) – Period (within which supply to be provided where extension of distribution mains or commissioning of new substation is necessary) to be specified by the Commission for the purposes specified under sub-section (1) of the Section 43 of the Act.

(b)Under section 181(2)(v)- reasonable security payable to the distribution licensee under subsection (1) of section 47.

(c)Under section 181(2)(w)- payment of interest on security under sub-section(4) of section 47.

(d)Under section 181(1), generally to carry out the following provisions—

Section 44 — Exception from duty to Supply Electricity

Section 46 — Authorise a distribution licensee to charge from a person expenses incurred in providing electric lines or plant.

Section 47(2), 47(3) & 47(5) - regarding Security Deposits

Section 48 — Additional term of Supply.

Section 55 — Use etc of Meters

Section 56 — Disconnection of Supply in default of payment

Section 126-130 - Assessment for unauthorized use of electricity and related matters.

Section 135-140- Theft of electricity and related matters.

B. The imperative of amendment of the supply code regulations:

The number of developments has taken place during the intervening period such as-

- (i) The Hon'ble Appellate Tribunal for Electricity, subsequent to its judgment in Appeal No. 181 of 2008, directed the Secretary of the Forum of Regulators to study the Standards of Performance and the Supply Code notified by all the State Commissions in order to evaluate variations and any specific gaps that need to be rectified. To this end, the FOR prepared a 'Model Supply Code' in 2011. The intention of the Model Supply Code was to incorporate the suggested mandatory provisions in accordance with the provisions of the Electricity Act, 2003 and also desirable features based on the best practices on customer service being followed in various states. The Forum of Regulators (FOR) accordingly got prepared a draft Model Supply Code by Consultant. The 'Model Supply Code' was finalized after a process of preparation, circulation to Regulatory Commission and other Stakeholder and interaction with different Stakeholders. The draft Model Code was circulated by the FOR to all the State regulatory Commissions for necessary action.
- (ii) The Electricity Rules 1956 has been repealed and replaced by the Central electricity Authority (Measures related to Safety and Electricity) Regulations 2010.
- (iii) APDCL has submitted the petition on 17th February 2015 suggesting a number of amendments of the AERC Supply Code, 2004.

C. Placing the draft before the state advisory committee

The draft Regulation was placed in the meeting of the State Advisory Committee (SAC) held on 04/03/2017 . and a detailed presentation was also made to the members of the SAC.

D. Pre- publication of draft regulations

As per provision of clause 3 of section 181 of Indian Electricity Act, 2003, all Regulations made by the state Commission shall be subject to the condition of previous publication.. In compliance with the provision the Commission issued a Public Notice on date 25/05/2017 in the following newspapers

1. The Assam Tribune (English)
2. The Sentinal (English)
- 3 Amar Asom (Assamses)
4. Asomiya Pratidin (Assamese)
5. Purbanchal Prahari(Hindi)
6. Dainik Jugasankha (Bengali)

In inviting objections or suggestions on the draft Supply Code Regulations clearly stating that the regulations will be taken into consideration after the expiry of twenty one (21) days from the date of notification together with any objections or suggestions which may within the aforesaid period be received in respect thereto. The above draft amendment regulations were also hosted on the Commission website www.aerc.gov.in

A public hearing was also conducted on 14/06/2017 to take into account the objections and comments received from stakeholders and public at large, duly notifying the venue, date and time of the hearing.

On the basis of comments/objections/suggestions submitted by the licensees and other stakeholders and having considered the documents available on record and other relevant information, the Commission has prepared the final draft of the Electricity Supply Code 2004.

E. Consideration of observations/suggestions of the stakeholders and views taken by the commission

The regulations have been finalized after detailed analysis and due consideration of the various issues raised in the submissions of Stakeholders.

The Submission of the Stakeholders and analysis of the issues and findings of the Commission thereon are incorporated below:-

(1) Clause 1.4.1- Definition

a) (18) Check Meter:

Comments of Assam Power Distribution Company Ltd. (APDCL) -

For 'check meter' the same core of CT & PT to which main meter is connected is theoretically correct, but practically not advisable as secondary connect studs are not conductive for this and the vulnerability of the main metering system to tampering/ damage is increased.

Analysis and decision of the Commission –

The definition is as provided in the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 and has been retained.

b) (21) Connected Load:

Comments of Assam Power Distribution Company Ltd. (APDCL)-

In the definition of connected load, the words "which can be simultaneously used" may be deleted as this is a special provision which the utility granted use of change-over switch in some particulate cases only.

Analysis and decision of the Commission –

The Commission has noted that –This provision is as in the FOR Model Code. Most of the States have adopted this definition. No change is considered necessary.

c)(22) Connection point:

Comments of Assam Power Distribution Company Ltd. (APDCL)-

2nd paragraph may be deleted as the meter is not allowed to be fixed after the distribution licensee’s cut-outs/switch gear.

Analysis and decision of the Commission –

The Commission has noted that the 2nd paragraph has some ambiguity and the same is deleted.

d)(25) Contract Demand:

(i) Comments of Assam Power Distribution Company Ltd. (APDCL) -

In the absence of contracted load or contract demand, connected load will be considered as the contract demand.

Analysis and decision of the Commission –

It is clearly mentioned in the definition that ‘Contract Load’ is the maximum demand agreed to be supplied by the licensee as indicated in the Agreement.

Taking into consideration the suggestion of APDCL, to meet contingent situation, until the Agreement is made, the following line is added –‘In case no Agreement is made, the connected load will be provisionally treated as contract load’.

(ii) (a) Comments of Assam Branch of Indian Tea Association (ABITA)

ABITA submitted that -the Irrigation load which is used only during the off season months (December to March), should not be included in the total connected load and which compel the TEs to pay enhanced fixed charge.

ABITA has also submitted that the Commission should allow load diversion mechanism through changeover /interlock, while using irrigation load, which was allowed earlier.

(ii)(b)Comments of Federation of Industry and Commerce of North Eastern Region (FINER)

FINER has contended that “..... The consumers cannot be bound to take 100% or any other % of the connected load as the contract demand. The consumer should be allowed to have complete freedom to choose its contract demand as it should be the consumer’s choice to opt for the same as per its requirement of the distribution company cannot force the consumer to take any minimum percentage of connected load as the contract demand, let alone 100%.”

Analysis and decision of the Commission –

The Commission examined the comments of and suggestions of ABITA and FINER and have taken a view that the limit of contract demand vis-a-vis connected load need not be specified in the Supply Code.

e) 29) Demand Charge:

Comments of Assam Power Distribution Company Ltd. (APDCL) -

In place of sanctioned load, connected load should be inserted.

Analysis and decision of the Commission –

In place of ‘contracted/sanctioned load’, the expression ‘**contracted demand or recorded maximum demand**’ is inserted.

f)(64) Premises:

Comments of Assam Power Distribution Company Ltd. (APDCL) -

“Premises” definition should be changed as follows. “Premises” means land, building or infrastructure or part or combination thereof with proper demarcations of separate identity where a meter or metering arrangements can be installed for specific use in the premises.

Analysis and decision of the Commission –

The Commission is of the view that the definition suggested by the APDCL is comprehensive and has accepted the same.

g)(67) Sanctioned load:

Comments of Assam Power Distribution Company Ltd. (APDCL) -

The validity period of sanction load may be incorporated.

Analysis and decision of the Commission –

The Commission has noted that the validity period of load sanction (the period between the sanction of load and the completion of the service connection) is required to be specified and hence the same is incorporated under sub clause 4.1.4.

(2) Clause 2.2 - Classification of Voltage of Supply to Consumers

Comments of Assam Power Distribution Company Ltd. (APDCL) -

The proposed increase of load up to 2000 kVA at 11kV & exceeding 2000 kVA to 10000 kVA at 33 kV may further aggravate our distribution network and also lead to increase in AT & C loss. It needs some rethinking.

Analysis and decision of the Commission –

The matter was discussed and it was observed that in the FOR draft Regulation and Regulations of other states the limits of supplying power at 11kV are similar to as proposedd .

A view was taken that the licensee may provide power at 11 kV for supply of power above 1200 kVA up to 2000 kVA and at 33 kV for supply of power above 5000 kVA upto 10,000 kVA, subject to availability of necessary line and transformer capacity in the respective voltages. Otherwise the applicant will have to construct a dedicated line.

(3) Clause 2.2.1 (a) & (b) - Supply voltage for different connected load

Comments of Assam Power Distribution Company Ltd. (APDCL) -

Connected load should be specified either in kW or kVA, preferably in kW.

Analysis and decision of the Commission –

In the FOR Supply Code and Supply Code of different SERCs, connected load in LT is taken in kW and in HT in kVA. As in HT connection, size of the transformer will depend upon the kVA capacity

In the load sanction order/agreement for HT categories, contract load may be indicated both in kW and kVA (at pf 0.85). For LT supply the contract load will be in kW only.

(D) Clause 2.2.2 (b) - Supply at higher or lower voltage

Comments of Assam Power Distribution Company Ltd. (APDCL) -

“or metering is done on the L.T. side of the distribution transformer” should be deleted as the same is incorporated in the tariff to avoid ambiguity.

Analysis and decision of the Commission –

This provision is made as suggested by APDCL in their petition of February, 2015 and no change is considered necessary

(4) Clause 3.9 - Cost of service connection/ extension and related matters

(a) Comments of Assam Branch of Indian Tea Association (ABITA) –

ABITA has submitted that the distribution licensee insists on installation of transformers based on connected load, that leads to installation of a transformer of very large capacity, which is not required in most of the cases, as the contracted demand is far less than the connected load.

This also leads to higher transformation losses. ABITA requested the Commission to specify the installation of transformers based on the contracted demand instead of connected load.

(b) Observations of APDCL on Comments of ABITA –

In any time a consumer may draw power up to connected load. As such the transformer will have to be of capacity that can meet the full connected load. Further, often transformer of matching capacity is not available in the market and higher capacity transformer may have to be used.

Analysis and decision of the Commission –

The APDCL has explained the reason and justification of installing larger size of transformer. No change in the proposed as the provision is considered necessary.

(5) Clause 3.9.1 (2) - Standard cost of estimate

Comments of Assam Power Distribution Company Ltd. (APDCL) -

In place of transformer of adequate capacity, the transformer may consider matching capacity transformer with the connected load.

Analysis and decision of the Commission –

The APDCL is of the opinion the word ‘matching’ would be more appropriate, the same will be used.

(6) Clause 3.10.3- Supply to multi-consumer complexes including multi storied buildings

(a) Comments of Assam Power Distribution Company Ltd. (APDCL) (regarding prepaid meter) -

This clause is to be corrected as pre-paid meters are not capable of reading all the provisions of tariff including the power factor. The “pre-paid meter” should be replaced with “smart meter”.

Analysis and decision of the Commission –

The matter was discussed in some details-

The APDCL pointed out that in recent times, a number of technical as well as commercial problems has developed from installation of prepaid meters. As such, it was suggested by APDCL that the term prepaid meter may be replaced by smart meter.

A view is taken that instead of prepaid meter the expression "Smart meter having prepaid facilities" should be used.

(b) Comments of Assam Power Distribution Company Ltd. (APDCL)(regarding change of transformer)

Another clause in this head is to be added with provisions of conditions when there will be change in connected load and the augmentation of transformer will be required. In such cases all the residents will have to bear the cost of change and there will be no additional transformer to meet the extra demand but only one transformer for one building.

Analysis and decision of the Commission –

After due examination and analysis of APDCL suggestion, following provision is now made-

3.10.3 (i) In case, there is increase in aggregate connected load of the complex and augmentation of transformer capacity is necessary, the consumers of the complex will have to meet the cost of such work.

(j) The feasibility of augmentation of Transformer capacity and mode of augmentation will be as assessed by the licensee.

(7) Clause 4.4.3- Supply to high/extra high tension consumers

Comments of Assam Power Distribution Company Ltd. (APDCL) -

Another clause is to be incorporated providing the special condition of dry-type transformer.

Analysis and decision of the Commission –

Under clause 44 (2) (xi) of Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 it is specified that 'Oil filled transformer installed indoor (other than in residential and commercial buildings) are to be placed at the ground floor or not below the first basement floor.'

Taking into consideration, the provisions of Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 the above mentioned provision is suitably incorporated under clause 9.4.1 (Chapter 9) 'Installation of transformers'.

(I) Clause 5.3.1- Security Deposit

(a)Comments of Assam Branch of Indian Tea Association (ABITA)-

ABITA has submitted that a more transparent approach is required to be followed by the utility while refunding any excess or raising any deficit amount in respect of security deposit in the consumers' bill, along with details of number of instalment, if any, in which the adjustment shall be done.

Analysis and decision of the Commission –

The suggestion is considered to be reasonable.

Under sub clause 5.3.1 (a) (ii) of the Code, a paragraph as below is added –

The basis and details of working out the revised security deposit of a consumer along with details of number of installment, if any, in which adjustment shall be made, may be intimated to a consumer .

(b) Comments of Federation of Industry and Commerce of North Eastern Region (FINER)-

Security deposit may be allowed to be paid by way of bank transfer, bank guarantee and not in cash.

Analysis and decision of the Commission –

The provision for realisation of Security Deposit by way of bank transfer has been incorporated in the Supply code.

The Commission is of the view that at present it would not be proper to make provision for realisation of security deposit by ‘bank guarantee’.

(8) Clause 6.2.1(f) - Requirement of meters

(a) Comments of Assam Power Distribution Company Ltd. (APDCL)-

The metering arrangement shall be installed at the sub-station only and a check meter is to be installed inside the house.

(b) Comments of Assam Power Distribution Company Ltd. (APDCL)-

“If supply to an HT/EHT consumer is given on an independent feeder for his exclusive use, the metering arrangement shall be installed at the consumer’s premises or, if mutually agreed, the metering arrangement at the sub-station of the licensee may be used for billing and no meter need be installed at the premises of the consumer.”

The mutual agreement of placing meter at sub-stations should not be encouraged since connivance at sub-station in tampering of meter have occurred in the past. Also this gives a position of strength to consumer who feigns ignorance of any wrong doing since custody of meter is at the substation end not in his/her premises.

Analysis and decision of the Commission –

The suggestion of APDCL was examined and considering from practical point of view and avoiding scope of controversy, the following provision is made.

If supply to an HT/EHT consumer is given on an independent feeder for his exclusive use the metering arrangement shall be installed at the consumer premises. However, if mutually agreed the metering arrangement may be installed at the Sub-Station of the licensee and used for billing.

(9) Clause 6.2.4 (1)- Supply and installation of Meters and MCBs/CBs

Comments of Assam Power Distribution Company Ltd. (APDCL)-

“When the display unit is at consumer’s premises & the metering unit is outside the premises such as on a pole etc. In such cases the responsibility of safe custody of metering unit shall lie with the licensee.”

Here also, if the metering unit is the responsibility of the licensee, the vulnerability of tampering is high but consumer will have no responsibility. Also tampering at the metering unit is common.

Analysis and decision of the Commission –

The Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 has the following provision-

13. Safety of meters. -

(3) Licensee shall be responsible for the safety of the consumer meter located outside the premises of the consumer and the consumer shall be responsible for the safety of the real time display unit installed by the licensee in consumer premises

The provision in keeping with the relevant provision of CEA Metering Regulation.

As the provision is in line of relevant provision of the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, no change is considered necessary.

(10) Clause 6.2.5 - Consumer not to interfere with the supply mains and apparatus including meter

Comments of Assam Power Distribution Company Ltd. (APDCL)-

“belonging to the distribution licensee” may be deleted as meters can be either distribution licensee or can be owned by the consumers themselves. Even if it is owned by the consumer they cannot interfere with the metering system.

Analysis and decision of the Commission:

The Clause is redrafted as – ‘The meter, cut-outs, breaker, MCB, MCCB, service mains and other equipments installed and maintained by the licensee at consumer’s premises, must on no account be handled or removed by anyone who is not authorized by the Distribution licensee. The Seals, fixed on meter, metering equipment, cut-outs, MCB and the Distribution licensee’s equipments shall not be tampered or damaged or destroyed or broken. Consequence of such interference provided under clause 7.8 (Interference with meters or works of licensee).

(11) Clause 6.2.7.2(d) - Unscheduled testing of meter

Comments of Assam Power Distribution Company Ltd. (APDCL)-

“Before testing a consumer’s meter, the licensee shall give advance notice intimating the date, time and place of testing so that the consumer or his authorised representative may be present at the testing.”

This clause should be deleted.

Analysis and decision of the Commission-

Advise to the consumer to be present during testing is necessary to avoid any dispute regarding conducting the testing. This clause is retained.

(12) Clause 6.2.7.2(f)- Unscheduled testing of meter

Comments of Assam Power Distribution Company Ltd. (APDCL)-

In case of faulty meters revised bill for a maximum of “1 (one) year” should be included in place of “3 (three) months”.

Analysis and decision of the Commission-

Provision under clause 5.3.7 of the FOR Supply Code is taken into consideration. The following provision will now be made –

‘The licensee shall dispatch the test report to the consumer, to be received under acknowledgment, within 2 working days of the date of testing. In case of faulty meter, revised bill for a maximum period of six months or from the date of last testing, whichever is shorter, shall be prepared based on the average consumption rate of three billing cycle, after installation of the correct meter. The amount will be adjusted in two consecutive energy bills.’

(13) Clause 6.2.8.3(c)- Replacement of burnt meters

Comments of Assam Power Distribution Company Ltd. (APDCL)-

For meter “tampering”, is this advisable?

Analysis and decision of the Commission-

The Commission has analysed the matter and has taken a view to add the following under clause 6.2.8.3 (c)- “In case of damage of a meter due to tampering, unauthorised addition of load or any case of unauthorised use of energy or theft, the change of meter shall be without prejudice to the power of the licensee to take action against the consumer under relevant provision of chapter VII.”

(14) Clause 6.3.2- Billing frequency and serving of bill

Comments of Assam Power Distribution Company Ltd. (APDCL)-

Another clause is to be included providing incentive for paperless bills (in digital format sent through e-mail) with consent from the consumers.

Analysis and decision of the Commission-

The Commission has analysed the matter and has taken a view to add a new clause 6.3.2 (h) as below -

“A consumer may give a standing instruction to the licensee to serve electricity bill to him by electronic media only.”

(15) Clause 6.3.12- Payment of bills

Comments of Assam Power Distribution Company Ltd. (APDCL)-

“in case of cheque” it should be “local” or “multi city” cheque.

Analysis and decision of the Commission-

Suggestion accepted.

(16) Clause 6.3.17- Recovery of Arrears

Comments of Assam Power Distribution Company Ltd. (APDCL)-

A clause is seemed to be missing in respect of “Recovery of Old dues” – chapter IV: Electricity Supply Code (under sec. 50 of the Act) of Electricity Supply Code and Related Matters Regulations, 2004.

Analysis and decision of the Commission-

The provision regarding recovery of old dues has been incorporated under clause 6.3.17 of the Draft Supply Code. This provision is identical as under clause 6.3.8 of the FOR Supply Code.No change is necessary

(17) Clause 7.4.2 - Provisional assessment

Comments of Assam Power Distribution Company Ltd. (APDCL)-

Provisional Assessment

- i) Period of Assessment:

If (a), (b), (c) or (d) is greater than 12 months, then maximum 12 (twelve) months is to be considered since an inspection to a HT meter is mandatory within 12 months.

Analysis and decision of the Commission-

The provision proposed is already provided in the last paragraph of this clause.

No change is considered necessary.

(18) Clause 7.4.3- Provisional assessment order

Comments of Assam Power Distribution Company Ltd. (APDCL)-

Provisional Assessment Order

An Assessing Officer ,.....under clause 7.4.1, shall submit his findings to the billing authority for furnishing Provisional Assessment bill within 2 days of inspection so as to serve a provisional assessment order....code.

Analysis and decision of the Commission-

The issue raised is whether the 'assessment order' is to be served by the Assessing Officer or a Bill based on the assessment of the Assessing Officer is to be submitted by the concerned Billing Authority. As per provision under section 126 of the Act, the assessment order (with the assessment bill) is to be served by the Assessing Officer.

Hence, no change is considered necessary.

(19) Clause 7.9- Measures to prevent diversion of electricity, theft or unauthorised use of electricity or tampering, distress or damage to electrical plant, electric lines or meter

Comments of Assam Power Distribution Company Ltd. (APDCL)-

The licensee should keep record of all consumer meters supplied by the meter manufacturing company with meter sealing particulars with each meter Serial number. All suppliers should submit the soft copy of the particulars showing meter serial number along with Paper seal affixed to the meter body and other seals supplied, if any.

At least one of the Testing laboratories of meter should have NABL Accreditation.

Analysis and decision of the Commission-

The first paragraph of the suggestion is accepted and necessary provision made under sub clause 7.4.3.(a).

The second paragraph i.e. 'at least one of the testing laboratories should have NABL Accreditation' need not be added as adequate provision has been made under clause 6.2.7.2 (h)

(20) LT Agreement- Clause I

Comments of Assam Power Distribution Company Ltd. (APDCL) on 'LT Agreement Clause I-

Revalidation of load:

Due to rapid growth of load demand, provision for validity of sanctioned load may be considered, after which the sanctioned load may be revalidated subject to satisfactory feasibility report otherwise same will be treated as cancelled.

Analysis and decision of the Commission-

Provision related to revalidation of 'Annual Review of Contract Load' exist under Clause 5.9

(21) Clause 10.7- Pro rata changing of fixed charge in case of failure to supply

(a) Comments of Assam Branch of Indian Tea Association (ABITA)

ABITA has quoted the provision under Clause 10.7-

In case the Distribution Licensee is unable to supply power to a consumer, for a period of 240 hours or more in a calendar month, the Distribution Licensee shall charge the consumer applicable fixed charges if any, on pro-rata basis for the hours, power was available.

'The ABITA has pleaded for prorating of demand charges directly on the basis of the duration for which power is made available by the utility.

(b)Comments of Federation of Industry and Commerce of North Eastern Region (FINER)

The objector has contended that the period of 240 hours should be changed to 48 hours or maximum 72 hours.

Observation of APDCL on comments of ABITA and FINER

A licensee like APDCL is allowed to realise demand charges for maintaining adequate infrastructure to meet consumers' energy demand. The fixed cost are for recovering the fixed charges of the power utility irrespective quantum of power sold. The generating station also realises fixed cost, which has a relation to the plant load factor. Too low demand charge will adversely affect the financial condition of the Distribution Licensee.

Analysis and decision of the Commission-

Submissions and suggestions of ABITA, FINER and APDCL are examined and analysed by the Commission and it is decided that the provision made in the draft Supply Code is considered to be appropriate.

F. At the end, Commission would like to thank all the stakeholders/objectors for sharing their views/suggestions on the Draft Assam Electricity Regulatory Commission (Electricity Supply Code) Regulation,2017.

G. The Commission after taking into consideration the submissions of the Stakeholders and decision of the Commission, orders that the proposed amendment published in draft form be now finalized and will be notified in the Official Gazette.

Sd/-

(Subhash Ch. Das)
Member
AERC

Sd/-

(Dipak Chakravarty)
Member
AERC

Sd/-

(Naba Kumar Das)
Chairperson
AERC

