

**PUNJAB STATE ELECTRICITY REGULATORY COMMISSION  
SCO NO. 220-221, SECTOR 34-A, CHANDIGARH**

**Amendment in Consumer Complaint Handling Procedure (CCHP).**

Present: Smt. Romila Dubey, Chairperson  
Shri Gurinder Jit Singh, Member

**ORDER**

The Commission issued guidelines for handling of consumer complaints and speedy resolution of consumer grievances relating to supply of electricity through a Consumer Complaint Handling Procedure (CCHP) vide notification No. PSERC/Secy./Regu.88 dated 04.10.2013. Under this procedure, various Dispute Settlement Committees at Zonal, Circle & Divisional levels have been constituted to dispose of the complaints of the consumers.

To provide more representation to the consumers in the Circle and Divisional level Dispute Settlement Committees, PSPCL proposed amendments in the CCHP. The Commission through public notice dated 11.08.2015 invited public objections/comments from all stakeholders w.r.t the following proposed amendments in the CCHP by 03.09.2015:

**Clause 4(1) Dispute Settlement Committees**

**(ii) Circle Dispute Settlement Committee (CDSC)**

Existing Provision		Proposed Provision	
a) Dy.CE/SE(DS) concerned	Chairperson	Dy.CE/SE(DS) concerned	Chairperson
b) One officer from Accounts & Finance cadre not below the rank of Dy.CAO/Dy.CA or of equivalent status.	Member.	One officer from Accounts & Finance cadre not below the rank of Dy.CAO/Dy.CA or of equivalent status	Member.
c) One officer from Commercial wing not below the rank of Addl.SE/Sr.Xen.	Member	One officer from Commercial wing not below the rank of Addl.SE/Sr.Xen.	Member.
d) Representative of Industry (to be nominated by Director of Industries & Commerce, Punjab.	Nominated Member.	Representative of Industry (to be nominated by Director of Industries & Commerce, Punjab.	Nominated Member.
		One representative of consumer organization nominated by Deputy Commissioner/Divisional Commissioner where circle comprises of more than one district	Nominated Member.

**(iii) Divisional Dispute Settlement Committee (DDSC)**

Existing Provision			Proposed Provision		
a)	Addl.SE/Sr.Xen (DS) concerned	Chairperson	Addl.SE/Sr.Xen (DS) concerned	Chairperson	
b)	One officer from Accounts & Finance cadre not below the rank of Accounts officer	Member.	One officer from Accounts & Finance cadre not below the rank of Accounts officer	Member.	
c)	XEN/AEE/AE to be designated by SE(DS) Circle from within the circle	Member	XEN/AEE/AE to be designated by SE(DS) Circle from within the circle	Member.	
			Representative of Industry (to be nominated by Director of Industries & Commerce, Punjab	Nominated Member	
			One representative of consumer organization nominated by Deputy commissioner/Divisional Commissioner where division comprises of more than one district	Nominated Member	

**Clause 6(8): Quoram**

Existing Provision	Proposed Provision due to change in clause 4 above
8) The quorum for ZDSCs shall be three members, out of which atleast two shall be members of the distribution licensee. The quorum for CDSCs/ DSCs shall be atleast two members of the distribution licensee. In case of lack of consensus amongst the members of the Committee; decision shall be on the basis of majority decision (vote) of the members present. In case of equality of votes on any issue Chairperson, in addition, shall have a casting vote.	The quorum for ZDSCs shall be three members, out of which atleast two shall be members of the distribution licensee. The quorum for CDSCs/ DSCs shall be atleast <del>two</del> <u>three</u> members out of which atleast <del>two</del> <u>three</u> shall be members of the distribution licensee. In case of lack of consensus amongst the members of the Committee; decision shall be on the basis of majority decision (vote) of the members present. In case of equality of votes on any issue Chairperson, in addition, shall have a casting vote.

Meanwhile, Principal Secretary, Govt. of Punjab, Department of Power, issued an Order dated 14.08.2015 received vide Endst.No.1/29/2015-EB/PR/506 dated 14.08.2015, wherein following directions under section 108 of the Electricity Act, 2003, have been issued to the Commission:

*“Whereas the Punjab State Electricity Regulatory Commission (PSERC) vide his Notification No.PSERC/Secy./Regu.-88 dated 4.10.2013 has approved the constitution of Dispute Settlement Committee for redressal of complaints relating to supply of electricity by the Distribution Licensee under Consumer*

*Complaint Handling Procedure in terms of the provisions of Regulation-5 (2) of the "PSERC (Forum & Ombudsman) Regulation, 2005.*

*Whereas, in order to empower justice to the consumers and for disposal of consumer complaints in a more fair and transparent manner, the Government of Punjab in exercise of powers conferred upon it under Section 108 of the Electricity Act, 2003 directs that the Punjab State Electricity Regulatory Commission shall be guided in the matter relating to the Consumer Complaint Handling Procedure as per the amendment below henceforth:-*

- i) One consumer representative in case of Circle Dispute Settlement Committee and two consumer representatives in case of Divisional Dispute Settlement Committee shall be nominated by the concerned Deputy Commissioner.*
- ii) Chairperson of Circle and Divisional Dispute Committees shall be nominated by the concerned Deputy Commissioner."*

The direction at Sr. No. (i) above has already been included in the proposed amendment to clause 4(1)(ii) & (iii) of CCHP except that in case of DDSC, instead of nomination of two public representative to be nominated by Deputy commissioner, one public representative from industry to be nominated by Director/Industry and second from general public by Deputy Commissioner has been proposed so as to have uniform structure for ZDSC/CDSC/DDSCs. As far as direction at Sr. No. (ii) is concerned, it is observed that the same is not consistent with the provisions of the Electricity Act, 2003 and PSERC (Forum and Ombudsman) Regulations, 2005.

The Dispute Settlement Committees were established by erstwhile PSEB as an internal mechanism for redressal of the consumer grievances in accordance with the powers conferred under Electricity (Supply) Act 1948. With enactment of Electricity Act, 2003, the approved internal mechanism of the licensee for redressal of consumer complaints under section 42(5) is through a 'Forum for Redressal of Grievances of the Consumers'. Section 42(5) provides that

*"Every distribution licensee shall, within six months from the appointed date or date of grant of licence, whichever is earlier, establish a Forum for redressal of grievances of the consumers in accordance with the guidelines as may be specified by the State Commission."*

Accordingly, the Commission in exercise of powers conferred under section 181(r) and (s) of the Act notified PSERC (Forum and Ombudsman) Regulations, 2005 providing guidelines to the licensee for redressal of grievances of the

consumers. However, the DSCs have been allowed to continue for expeditious disposal of consumer grievances as per the Model Regulations of Forum of Regulators (FoR) for the convenience of the consumers. The consumer has the right under regulation 4 of the PSERC (Forum and Ombudsman) Regulations, 2005, as amended from time to time, to approach the Forum directly without first filing his/her complaint before the DSCs. Thus to approach the DSCs or not, is the option available to the consumer.

Further section 42 (6) of the Act provides that a consumer aggrieved by non-redressal of his grievances under section 42(5) may approach Ombudsman to be appointed by the State Commission. As per section 42 (6) of the Electricity Act, 2003, only the consumer aggrieved due to non-addressal of his grievance can approach the Ombudsman thus excluding the distribution licensee to approach Ombudsman against the decision of the Forum. On the same analogy, any complainant aggrieved by the decision of DSCs may approach the Forum but the distribution licensee cannot approach the Forum against the decision of the Dispute Settlement Committee constituted under Consumers Complaint Handling Procedure. Thus both the Forum and the DSCs are internal dispute resolution mechanism of the licensee.

Further, Rule 7(1) of the Electricity Rules, 2005 provides that

*“The distribution licensee shall establish a Forum for Redressal of Grievances of Consumers under sub section (5) of section 42 which shall consist of officers of the licensee. The Appropriate Commission shall nominate one independent member who is familiar with the consumer affairs:*

*Provided that the manner of appointment and the qualification and experience of the persons to be appointed as member of the Forum and the procedure of dealing with the grievances of the consumers by the Forum and other similar matters would be as per the guidelines specified by the State Commission”.*

As per regulation 3(2) of PSERC (Forum and Ombudsman) Regulations, 2005, as amended from time to time, while two members of the Forum including Chairperson are from amongst the officers of the Licensee, the third independent member is nominated by the Commission. Since there is no separate provision in the Act or the Rules or the Regulations prescribing qualification and

experience of the members of DSCs so these committees have to be constituted keeping in view that these are internal mechanism of the licensee as is the Forum for Redressal of Grievances of Consumers constituted under sub section (5) of section 42. Thus, it may not be appropriate to appoint any person other than the officer of the licensee as Chairperson of these Dispute Settlement Committees. Since the direction of the State Government at Sr.No.(ii) is in-consistent with the PSERC (Forum and Ombudsman) Regulations, 2005 and the Electricity Act, 2003 so the same cannot be implemented.

On the issue whether any direction given by the State Govt. under section 108 of the Act, is binding on the Commission or not, we may refer to section 108, which is re-produced below:

***“108. Directions by State Government.-(1) In the discharge of its functions, the State Commission shall be guided by such directions in matters of policy involving public interest as the State Government may give to it in writing.***

***(2) If any question arises as to whether any such direction related to a matter of policy involving public interest, the decision of the State Government thereon shall be final.”***

The Hon'ble Appellate Tribunal in its order dated 19.09.2014 in Appeal No.207 of 2013 has held that:

***“This Appellate Tribunal, in its judgment, dated 21.1.2014, in the matter of Tamil Nadu Electricity Consumers' Association vs, Tamil Nadu Electricity Regulatory Commission & another, in Appeal No.92 of 2013 and Appeal No.109 of 2013, has recently held that the State Commission in discharge of its function under the Electricity Act, 2003, has to be guided by the directions of the State Government under section 108 of the Electricity Act, 2003, but the same are not mandatory and binding upon the State Commission. We affirm the same view because the State Commission is an independent statutory authority vested with powers under the Electricity Act, 2003 and the Regulations and discharge the functions according to the statutory provisions, and if any direction or directive of the State Government, issued under Section 108 of the Electricity Act, 2003, is of such of a nature which hampers the statutory functions of the State Commission, the State Commission can ignore it and discharge its statutory functions according to the Act and Rules & Regulations and the State Commission is not bound by any such kind of direction or directive of the State Government issued under the Electricity Act, 2003”.***

In response to the public notice dated 11.09.2015 inviting objections/comments from all the stakeholders, no objection/comment has been received on the proposed amendments in CCHP. The Secretary to Govt. of Punjab, Department of Power and CMD/PSPCL were also separately requested to send comments on the proposed amendments in CCHP vide Memo. No. 4716 dated 13.08.2015 & 4717 dated 13.08.2015 respectively but no comments from either PSPCL or the State Govt. have been received.

In view of the above, the Commission approves the following amendments in CCHP issued vide notification No. PSERC/Secy./Regu.88 dated 04.10.2013:-

**Clause 4(1)(ii) Circle Dispute Settlement Committee (CDSC)**

The Clause 4(1)(ii) of CCHP shall be substituted as under:

- |    |   |                  |
|----|---|------------------|
| a) | Dy.CE/SE(DS) concerned  | Chairperson      |
| b) | One officer from Accounts & Finance cadre not below the rank of Dy.CAO/Dy.CA or of equivalent status                                  | Member           |
| c) | One officer from commercial wing not below the rank of Addl.SE/Sr.Xen.  | Member           |
| d) | Representative of Industry (to be nominated by Director of Industries & Commerce, Punjab.   | Nominated Member |
| e) | One consumer representative nominated by Deputy Commissioner/Divisional Commissioner where circle comprises of more than one district | Nominated Member |

**Clause 4(1)(iii) Divisional Dispute Settlement Committee (DDSC)**

The Clause 4(1)(iii) of CCHP shall be substituted as under:

- |    |  |                   |
|----|--|-------------------|
| a) | Addl.SE/Sr.Xen (DS) concerned  | Chairperson       |
| b) | One officer from Accounts & Finance cadre not below the rank of Accounts officer   | Member            |
| c) | XEN/AEE/AE to be designated by SE(DS) Circle from within the circle  | Member            |
| d) | Two consumer representatives nominated by Deputy Commissioner/Divisional Commissioner where division comprises of more than one district | Nominated Members |

## **Clause 6(8)**

The Clause 6(8) of CCHP shall be substituted as under:

The quorum for ZDSCs/ CDSCs/ DDSCs shall be three members, out of which atleast two shall be members of the distribution licensee. In case of lack of consensus amongst the members of the Committee, decision shall be on the basis of majority decision (vote) of the members present. In case of equality of votes on any issue, Chairperson, in addition, shall have a casting vote.

For timely disposal of grievances:

- a) Committees shall hold hearings at least once in a month or more depending upon pendency of cases.
- b) The Chairperson of the Committee shall co-ordinate and specify days and time for hearings to ensure availability of officers of Commercial and Accounts wings.
- c) Agenda for hearings shall be prepared in advance and due intimation in this regard is to be sent to the aggrieved consumer as well as to the concerned office of the distribution licensee.
- d) No adjournment shall be ordinarily granted unless sufficient cause is shown and reasons for grant of adjournment have been recorded in writing by the Committee.
- e) Where the concerned officer/official of the distribution licensee or complainant (or its representative) fails to appear before the Committee on the date fixed for hearing on more than two occasions, the Committee may decide the grievance ex-parte.

The necessary notification in the State Gazette amending clause 4(1)(ii), 4(1)(iii) and 6(8) of CCHP to the above extent shall be issued separately.

Sd/-  
**(Gurinder Jit Singh)**  
Member

Sd/-  
**(Romila Dubey)**  
Chairperson

**Chandigarh**  
**Dated: 10.09.2015**