

PUNJAB STATE ELECTRICITY REGULATORY COMMISSION
SITE NO. 3, BLOCK-B, SECTOR-18-A, MADHYA MARG, CHANDIGARH

Petition No. 13 of 2024
Date of hearing: 06.03.2024
Date of Order: 07.03.2024

Voluntary Disclosure Scheme (VDS) for Domestic (DS) and Non Residential (NRS) under Regulation 47 of PSERC Regulation 2014 and clause 68 & 69 of PSERC (Conduct of Business) Regulations, 2005.

And

In the matter of: Punjab State Power Corporation Limited, The Mall, Patiala, Punjab.

Petitioner.....

Commission: Sh. Viswajeet Khanna, Chairperson
Sh. Paramjeet Singh, Member

PSPCL: Ms. Harmohan Kaur, CE/ARR&TR
Sh. Ajay Bansal, Dy.CE/TR-2

ORDER

The present petition has been filed by Punjab State Power Corporation Limited (PSPCL) for the introduction of Voluntary Disclosure Scheme (VDS) for Domestic Supply (DS) consumers for a load upto 50 kW and Non-Residential Supply (NRS) consumers for load upto 20 kW under regulation 47 of the Supply Code, 2014 read with regulations 68 & 69 of PSERC (Conduct of Business) Regulations, 2005. The petition was taken for hearing on admission and after hearing the officers of PSPCL, the petition is admitted.

1.0 PSPCL submitted as under;

1.1 The Commission in its order dated 26.08.2019 in petition no. 16 of 2019 had approved the VDS scheme for DS consumers (for sanctioned load upto 50 kW) and NRS consumers (for sanctioned load up to 20 kW) which was

launched vide CC No. 44/2019 dated 27.08.2019. The scheme was originally valid up to 31.10.2019 but was further extended with the approval of the Commission for another one month upto 30.11.2019.

1.2 A total of 34250 DS and 2781 NRS consumers availed the scheme and declared a load of 65480 kW and 8807 kW respectively. An amount of Rs. 7.791 Crore was received as security (consumption) and service connection charges. PSPCL further submitted that from the aforementioned data, it is apprehended that a large number of DS and NRS consumers are yet to get their excess load regularized due to which PSPCL is losing revenue on account of fixed charges. Non-declaration of true connected load adversely affects the distribution lines/transformers as the actual load running on system is more than the sanctioned load. PSPCL suffers continuous & recurring financial loss on account of fixed charges under two-part tariff system on one hand and consumers also have to face breakdowns or interruption of supply due to inadequacy of distribution system on the other hand. The data of correct connected load of consumers is required to be known to PSPCL for proper planning of supply infrastructure and providing better services to its consumers.

1.3 Petition No. 72 of 2022 was filed by PSPCL in continuation to Petition No. 45 of 2022. The Commission order dated 20.12.2022 approved the VDS for DS/NRS consumers. PSPCL further submitted that due to administrative reasons the order was not implemented.

2.0 Accordingly, PSPCL proposed to re-introduce the VDS Scheme for DS/NRS Consumers with following salient features:

- i) The scheme is proposed to be valid for a initial period of 45 days from the date of issue of Commercial Circular and which may further be extended by the PSPCL upto 3 months.
- ii) The Voluntary Disclosure Scheme (VDS) shall be applicable to DS consumers with sanctioned load upto 50 kW & NRS consumers with load upto 20 kW. In case after extension in load, the load of the consumer falls in the category where contract demand system is in force then the consumer shall also have to declare his demand in kVA in accordance with clause-10 of the General Conditions of Tariff.
- iii) DS/NRS consumers shall be allowed to extend their load under VDS upto 100% of the existing load subject to the condition that total load after extension does not exceed 100 kW/KVA. However, there shall be no capping for the consumers to enhance their sanctioned load upto 10 kW e.g. consumers having sanctioned load 2 kW may increase load upto 10 kW (instead of 4kW).
- iv) During the period VDS remains operative, the field officers may visit the premises of DS/NRS consumers to assist in correct assessment of unauthorized load, if any, which needs to be regularized. No penalty/load surcharge on the un-authorized load so detected by checking agencies or self declared by the consumer shall be levied during the period the VDS Scheme remains operative. However, the consumer shall be required to either remove the

unauthorized load under intimation to PSPCL or get it regularized under VDS.

- v) Total connected load shall be computed as specified in Regulation 4.5 read with regulation 4.2 of the PSERC (Electricity Supply Code and Related Matters) Regulations, 2014 as amended from time to time.
- vi) While regularizing the load under VDS, field officers shall ensure that the connection is not being misused by the consumer for any other purpose.
- vii) Service Connection Charges recoverable shall be in accordance with the provision of Regulation 9.1.3 of the Supply Code, 2014 read with the cost data approved by the Commission. However, a rebate of 50% in Service Connection Charges to the above mentioned category of consumers shall be allowed. The variable charges in respect of service connection charges for load above 50 kW/KVA & upto 100 kVA (50%) are leviable from consumers.
- viii) Load declaration shall be accepted and regularized from the date of submission of self-declaration by the consumer on the prescribed performa which will be provided free of cost, subject to fulfilment of the conditions as laid down in Supply Code, 2014.
- ix) The rates of Security (consumption) or Security (meter), as may be applicable, shall be recoverable as per Schedule of General Charges approved by the Commission. In case PSPCL has to augment meter from Single phase to Three phase then difference of Security

(meter) for three phase to single phase shall be recovered from respective consumer.

- x) Service Connection Charges (as applicable after 50% rebate) and Security (consumption) (at full rates) shall be recoverable for the extended load only. However, the total load including extension shall be considered for the purpose of determining slab rate of service connection charges and rates of Security (consumption).
- xi) Augmentation of service line/transformer and the power system (including conversion from single phase to three phase) and change of meter etc. if required, for this VDS shall be carried out by the PSPCL at its own cost.
- xii) Domestic Consumers existing as on 01.08.2012 having load upto 10 kW shall have the option to have single phase supply or three phase supply in cases their connected load after computing as per regulation 4.5 worked out to be more than 7 kW.
- xiii) The documents received from the consumers during this VDS shall be kept in respective consumer files with suitable entries in other relevant record of PSPCL.

3.0 PSPCL prayed as under:

- (i) To grant approval to the rates, terms and conditions of Voluntary Disclosure Scheme for DS consumers (with sanctioned load Upto 50 kW) & NRS consumers (with sanctioned load upto 20 kW).
- (ii) The loss to PSPCL due to rebate on Service Connection Charges to the consumers availing VDS may be allowed as pass through in the ARR.

- (iii) To allow PSPCL to check the connected load of DS consumers after the closure of VDS Scheme, if unauthorized load is detected by PSPCL agencies, load surcharge will be levied as per General Conditions of Tariff.

4.0 Commission's Findings and Orders

The Commission after going through the submissions of PSPCL and taking note of the concerns of the distribution licensee regarding non-declaration of true load by DS/NRS consumers and to offer another opportunity to the DS/NRS consumers to regularize their unauthorized load, the Commission in accordance with Regulation 69 of PSERC (Conduct of Business) Regulations, 2005, as amended from time to time, read with Regulations 46 and 47 of the Supply Code, 2014 allows PSPCL to re-introduce the VDS for Domestic Supply (DS) consumers having a sanctioned load upto 50 kW and Non-residential Supply (NRS) consumers having sanctioned load upto 20 kW on the following terms and conditions, by relaxing the provisions of regulations 6, 9.1.3 and 12 of the Supply Code, 2014:

- (i) The VDS shall be applicable to the consumers existing on the date of issue of this order and shall be allowed initially for a period of 45 days which may be extended for a period upto three months including the initial period of 45 days.
- (ii) VDS shall be applicable to DS consumers with sanctioned load upto 50 kW and NRS consumers with load upto 20 kW. In case, after extension in the load, the load falls in the category where contract demand system is in force, then the consumer shall also have to declare his contract

demand in kVA in accordance with Clause 10 of the General Conditions of Tariff.

- (iii) DS/NRS consumers shall be allowed to extend their load under VDS upto 100% of the existing load subject to the condition that the total load after extension does not exceed 100 kW/kVA. However, there shall be no capping of 100% enhancement of load for the consumers to enhance their load upto 10 kW e.g. consumers having sanctioned load 2 kW may increase load upto 10 kW (instead of 4 kW).
- (iv) During the period the VDS remains operative, the field officers may on the request of the consumer, visit the premises of DS/NRS consumers to assist in correct assessment of unauthorized load, if any, which needs to be regularized. No penalty/load surcharge on the unauthorized load so detected by checking agencies or self declared by the consumer shall be levied during the period the VDS scheme remains operative. However, the consumer shall be required to either remove the unauthorised load under intimation to PSPCL or get it regularised under this VDS.
- (v) Total connected load shall be computed as specified in Regulation 4.5 of the PSERC (Electricity Supply Code and Related Matters) Regulations, 2014, as amended from time to time.
- (vi) While regularizing the load under VDS, field officers shall ensure that the connection is not being misused by the consumer for any other purpose.

- (vii) Service Connection Charges recoverable shall be in accordance with the provision of Regulation 9.1.3 of the Supply Code, 2014 read with the cost data approved by the Commission. As requested by PSPCL, a rebate of 50% in Service Connection Charges including variable charges, as applicable, may be allowed to the above mentioned categories of consumers. Any additional expenditure or loss to the licensee due to expenses incurred for regularization of unauthorized load over and above the amount recovered through Service Connection Charges shall not be allowed as pass through in the ARR since it is not reasonable to burden other categories of consumers in order to initiate a VDS scheme with rebate in Service Connection Charges. Such excess expenditure shall be funded through PSPCL's own resources. Separate estimates shall be prepared for regularization of load under VDS and expenditure booked shall be intimated to the Commission after closure of the scheme. It is expected that additional revenue through increased fixed charges and improved efficiency of the distribution system will adequately compensate for the VDS costs.
- (viii) Load declaration shall be accepted and regularized from the date of submission of self-declaration by the consumer on the prescribed performa along with deposit of necessary charges and subject to fulfillment of the conditions as laid down in Supply Code, 2014.
- (ix) The rates of Security (consumption) or Security (meter), as may be applicable, shall be recoverable as per Schedule of General Charges approved by the

Commission. In case PSPCL has to augment meter from Single phase to three phase then difference of Security (meter) for three phase to single phase shall be recovered from respective consumer.

- (x) Service Connection Charges and Security(consumption) shall be recoverable for the extended load only. However, the total load including extension shall be considered for the purpose of determining slab rate of service connection charges and rates of Security(consumption).
- (xi) Augmentation of service line/transformer and the power system (including conversion from single phase to three phase) and change of meter etc. if required, for this VDS shall be carried out by the PSPCL at its own cost.
- (xii) The documents received from the consumers during this VDS shall be kept in the respective consumer files with suitable entries in other relevant record of PSPCL.
- (xiii) After the closure of the VDS, the Commission may allow PSPCL to check the connected load of domestic consumers in order to detect and penalize any unauthorized loads which the consumer has not regularized by availing of this VDS on the terms and conditions to be approved separately.

The petition is disposed of accordingly.

Sd/-
(Paramjeet Singh)
Member

Sd/-
(Viswajeet Khanna)
Chairperson

Chandigarh
Dated: 07.03.2024