

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

Petition No. 49 of 2023

Date of Order: 06.12.2023

Petition under Regulation 19, 20 and 21 of Punjab State Electricity Regulatory Commission (Power Quality) Regulations, 2023 and Regulation 69, 70, 71 & 72 of Chapter XIII of the Conduct of Business Regulations 2005 for allowing time extension to designated consumers for installation of Power Quality Meters.

AND

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

.... Petitioner

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

Order

PSPCL filed the present petition under Regulation 19, 20 and 21 of Punjab State Electricity Regulatory Commission (Power Quality) Regulations, 2023 (hereafter referred as Power Quality Regulations) and Regulation 69, 70, 71 & 72 of Chapter XIII of the PSERC (Conduct of Business) Regulations, 2005 for allowing time extension to designated consumers for installation of Power Quality Meters.

1.0 PSPCL submitted as under:

- 1.1 The Commission had notified PSERC (Power Quality) Regulations, 2023 vide notification dated 21.03.2023. These were implemented by PSPCL vide Commercial Circular 12/2023 issued vide memo no. 139-141 dated 12.04.2023.

- 1.2 The first proviso to clause (1) of Regulation 5 – ‘Scope and extent of Application’ of Power Quality Regulations, provides as under:-

“These Regulations shall apply to Distribution Licensee(s) including Deemed Distribution Licensee(s), distribution franchisees and the Designated Consumers of electricity in the State as decided by the Commission from time to time including Full open access consumers, deemed licensee(s) using the intra-state transmission and / or distribution system of other licensee to source power through open access.

Provided that the designated consumers (including Full Open Access consumers & deemed licensee sourcing power through open access) using or engaged in any of the following processes/industries, shall be governed by the provisions of these regulations from the date of the publication of these regulations in the Official Gazette:

Arc Furnaces, Induction furnaces, Chloro-alkaline units, Billet heaters, Surface hardening Machines, Electrolytic process industries, Electric Bell furnaces for annealing, Electro-slag refining/melting processes, Railway traction load connected at 11kV and above.

Provided further that the designated consumers using and engaged in other processes/industries, as may be decided by the Commission from time to time, shall be governed by the provisions of these regulations from the date as may be notified by the Commission separately.

Provided also that in case of designated consumer using both PIU and general load (mixed load industry), such consumer shall be covered under these regulations only if the total installed / connected kVA of the PIU load exceeds 100kVA. Where rating in kVA is not available, the rated load in kW shall be converted into kVA by using unity power factor.”

- 1.3 Regulation 13.4 of Power Quality Regulations, 2023 is reproduced below:

“The distribution licensee shall issue notice to the individual designated consumers, as specified in first proviso to clause (1) of Regulation 5 of these regulations, within 15 days from the date of notification of these regulations apprising such consumers of the provisions of these regulations and their obligation to install PQ meters/control current harmonic injection within the specified time. The designated consumers, as specified in first proviso to clause (1) of Regulation 5 of these regulations, shall install the PQ meters within six (6) months from the date of issue of notification of these regulations.

Provided that all the applicants covered under the category of designated consumers, as specified in first proviso to clause (1) of Regulation 5 of these regulations, seeking new connection or extension in demand shall install the PQ meters before the release of connection or extension in demand.”

Accordingly, PSPCL has issued notices to 1105 designated consumers to install the Power Quality meters within six months from the date of notification of these Regulations i.e. by 21.09.2023.

- 1.4 Further, Regulation 13.5 of Power Quality Regulations, 2023 provides as under:-

“In case the designated consumer, as specified in first proviso to clause (1) of Regulation 5 of these regulations, fails to install power quality meter within the stipulated time, as specified in Regulation 13.4 of these regulations, a 15 days' notice shall be issued to such designated consumer by the distribution licensee and thereafter, in case the non-compliance continues then a penalty at the rate of Rs.50/kVA/month on the

sanctioned contract demand or contracted demand under Open Access, as may be applicable, shall be levied. Part of the month shall be treated as full month.

Provided that in case the designated consumer, as specified in first proviso to clause (1) of Regulation 5 of these regulations, fails to install PQ meter even after 9 months from the date of issue of notification of these regulations, then a penalty at the rate of Rs.80/kVA/month on the sanctioned contract demand or contracted demand under Open Access, as may be applicable, shall be levied.

Provided further that in case the designated consumer, as specified in first proviso to clause (1) of Regulation 5 of these regulations, fails to install PQ meter by 31st March, 2024 then such consumer shall be liable to pay compensation @ 10% of the total monthly consumption charges (fixed and energy charges) till installation of PQ meter. After installation of PQ meter by the consumer, in case the TDD values exceed the specified limits then compensation as specified in Regulation 13.11 of these regulations shall be payable by the consumer.

Provided also that the compensation shall be without prejudice to the distribution licensee right to disconnect the connection/connectivity, as the case may be, after serving a minimum of 15 days notice to the consumer.”

Thus, as per these regulations penalty is to be levied on designated consumer(s) for failing to install Power Quality meter(s) after six months from the date of notification i.e. after 21.09.2023,. Further, after 31.03.2024, in case of failure to install Power Quality meter(s) there is provision of compensation payable by the designated consumer(s).

- 1.5 The Commission had earlier amended Regulation 24 of Supply Code vide 7th Amendment of Supply Code, 2014

notified on 18.09.2020. As per substituted Regulation 24.4, the designated consumers had to install power quality meters by 1st October, 2021 and share the recorded data thereof with the distribution licensee each month or as may be decided by the Commission. Necessary instructions regarding the above were issued by PSPCL vide memo no. 488/493 dated 21.06.2021.

In line with these instructions the office of CE/Metering, PSPCL, Patiala vide memo no. 4742 dated 02.09.2022 and memo no. 4739 dated 02.09.2022 empanelled following two firms for private sale for Supply, Installation, Testing, Commissioning, Reading, Analysis and 1 year O & M of Power Quality Meters:-

M/s Energy Electricals, SCO: 215, 1st floor, Sector-14, Panchkula, Haryana.

M/s Kconnect Engineers Pvt. Ltd. Booth No. 6, HUDA market, Basement, Sector-16 A, Part-1, Faridabad.

Accordingly, instructions were issued to the field offices for installation of Power Quality meters as provided in 7th Amendment of Supply Code, 2014 vide memo no. 61-66 dated 02.02.2023.

The Commission vide notification of 12th amendment of Supply Code, 2014 on 29.03.2023 had deleted the Regulation 24 of Supply Code, 2014 and notified Power Quality Regulations on 21.03.2023, which are now applicable.

1.6 However now industry, representing a designated consumer category has requested that due to only two empanelled vendors the availability of Power Quality meters is insufficient. Thus, they are unable to order and procure the Power Quality meters well within the time frame of six months as mandated by the Commission. To meet this demand of designated consumers, PSPCL has prayed that a six-month time extension be allowed for installation of Power Quality meters without penalty, i.e. against the mandated period of six months, the designated consumers be allowed a period of 12 months from the date of gazette notification of Power Quality Regulations, 2023 for the installation of Power Quality meters without penalty.

2.0 The petition was admitted vide order dated 20.09.2023. The Commission pointed out that six months extension for installation of Power Quality meters has been sought by PSPCL by referring to the representation from the industry alleging low less availability of the meters due to, were being only two empanelled vendors and their inability to order and procure the meters within the stipulated six months. However, PSPCL itself had earlier confirmed adequate availability of Power Quality meters vide memo dated 20.06.2023. It was also observed that there was delay on the part of PSPCL in issue of notices required to be issued within 15 days of notification of the Power Quality regulations. Further, the petitioner has not been able to empanel more vendors despite repeated directions of the Commission. The Commission observed that the specific reason for seeking extension of particularly six months has not been given nor any

time frame for empanelment of more vendors has been mentioned in the petition. PSPCL was directed to publish the Public Notice inviting suggestions/objections/comments from the public/stakeholders as required under Regulation 67 of the PSERC (Conduct of Business) Regulations, 2005 without any delay. PSPCL was also directed not to take any punitive action against the designated consumers for non-installation of Power Quality meters till the disposal of this petition.

- 3.0 The Public Notice was accordingly published by PSPCL against which objections/written submissions were received from M/s Kannect Engineers Pvt. Ltd., M/s Janitza Electronics GmbH, M/s Energy Electricals and Mandi Gobindgarh Induction Furnace Association.

During the public hearing, Sh. Satiram Tewatia, Director, M/s Kannect claimed that there is sufficient availability of stock and they have adequate manufacturing capacity to meet the requirement of power quality meters and this status had regularly been intimated to PSPCL. While asserting that they never went out of stock and that there was no pending order from any client, the Commission was requested not to give extension in time for installation of power quality meters. Mr. Hari Balasubramanian, Director, M/s Janitza submitted that their company was capable of readily supplying power quality meters to their partner M/s Kannect to fulfill the demand in the state of Punjab. Sh. Uday Gupta, Director, M/s Energy Electricals also confirmed sufficient stock position with them and required manufacturing capacity of their parent company.

While emphasizing that they readily fulfilled every purchase order for power quality meters, it was requested that extension may be given only to the consumers who could prove that they had placed orders for meters which were not supplied in time. It was also intimated that for the last 20 years, PSPCL has had a maximum of only two empanelled vendors even for HT meters. The President, Mandi Gobindgarh Induction Furnace Association, inter alia, prayed for extension of six months and a further period of nine months for checking of harmonics, installation of corrective equipment and stabilization of performance. The Association also demanded that PSPCL should notify a detailed procedure for implementation of these regulations and share data with the designated consumers.

4.0 In reply to the Commission's observations during the hearing on 13.09.2023, PSPCL vide memo no. 7183 dated 03.10.2023 submitted that representations were received from Industrial associations demanding extension in deadline for installation of power quality meters and accordingly, to address various concerns of Industrial associations, the instant petition was filed. Regarding the delay in issuing notices to the designated consumers, PSPCL submitted that since Power Quality is a new concept, it took some time to comprehend the new guidelines and issue instructions to the field officers. On the issue of increasing the number of vendors, PSPCL listed out the details of tender enquiries issued from time to time for empanelment of vendors for supply of power quality meters. Vide order dated 10.10.2023, the Commission directed PSPCL to examine in detail the reasons for delay in expeditious empanelment of more vendors for supply

of power quality meters and shall submit within two weeks the detailed report thereon along with the roadmap for empanelment of more vendors in order to ensure supply at competitive rates to the consumers

- 5.0 The copies of all the objections/comments received were supplied to PSPCL vide order dated 10.10.2023 with the direction to submit their comments within two weeks. PSPCL submitted their reply to the objections filed w.r.t. the public hearing vide memo no. 7475 dated 07.11.2023 as under:

5.1 Objection No. 1 by Mandi Gobindgarh Induction Furnace Association:

a) List of objections:

- i The date for installation of Power Quality meters by designated consumers be extended by 6 months.
- ii 9 months period may be given after installation of Power Quality meter comprising of 3 months for checking of compliance/violation of TDD, 3 months for finalizing the vendor for supply & installation of corrective equipment and further 3 months for verification and stabilization of the performance of the equipment.
- iii PSPCL may be directed to notify the detailed procedure duly approved by the Commission for implementation of provisions of Power Quality Regulations clearly defining the duties and responsibilities of designated consumers and PSPCL for current and voltage harmonics.
- iv PSPCL should be directed to finalize the methodology for reading and analysis after the exit of vendor after 1 year of supply of Power Quality Meter.
- v PSPCL should immediately share the data and calculations with the consumers (where meters have been installed after huge investment) at the earliest so that further action for designing and installing the remedial measures, if required, is taken and industry opts for the Tariff for general category.

b) Pointwise reply :

- i Regarding Point No. (i), PSPCL vide instant petition has also prayed to the Commission to allow a six month time extension to the designated consumers without penalty for the installation of Power Quality meters.
- ii Regarding Point No. (ii) decision falls under the purview of the Commission.
- iii Regarding Point No. (iii) requisite detailed procedure duly approved by the Commission for the implementation of provisions of Power Quality Regulations clearly defining the duties and responsibilities of designated consumers and PSPCL for current & voltage harmonics has been issued and circulated vide commercial circular No. 12/2023 dated 12.04.2023. In this regard it is further clarified that Regulation 5 of Power Quality Regulations, 2023 defines the 'Scope and extent of Application' of these regulations. These regulations are applicable on the distribution licensee as well as on the designated consumers as defined in regulation 5 of Power Quality Regulations, 2023. Further, Regulation 6 of Power Quality Regulations defines the 'Roles and Responsibilities' of the distribution licensee and the designated consumers.
- iv With respect to Point no. (iv), it is submitted that on the completion of the project, PSPCL may either continue with the MDM and HES system on cloud or transfer the requisite software and database to its servers of PSPCL owned HES and MDM (both hardware based) at Patiala, and this would be decided at the time of completion of 1 year of supply of Power Quality meters.
- v With respect to point No.(v), it is submitted that necessary directions have already been given to M/s Energy Electrical and M/s Kannect vide memo no. 6609 & 6610 dated 28.09.2023 respectively.

5.2 Objection No. 2 by M/s Energy Electrical, Panchkula

a) Objection

This firm has raised its objection in response to concerns raised by PSPCL in the Petition regarding the availability of

Power Quality Meters i.e as mentioned in the petition that availability of meters is inadequate and consumers are not able to order the meters. In this regard, the firm has assured that they have sufficient number of meters readily available to meet the demand of consumers. Further, the firm has mentioned that their parent company possesses the manufacturing capacity to produce upto 1250 meters per month, which provides them with the flexibility to scale up the supply as required. At the end, the firm requested that an extension be granted, with specific conditions, to address the concern raised by PSPCL. The firm proposed that extension be provided only to those consumers who can provide evidence of having reached out to their respective vendors for order placement, supported by proof of Purchase Order copies.

b) Reply

Regarding the availability of power quality meters, it is informed that PSPCL has empanelled two vendors for private sale of power quality meters i.e. M/s Energy Electrical, Panchkula and M/s Kannect Engineers Pvt. Ltd Faridabad. Further, M/s Energy Electrical has submitted in its tender documents schedule C-1 that its production capacity of power quality meters is 1250 meters per month. Similarly, M/s. Kannect Engineers Pvt. Ltd. has submitted in its tender documents schedule C-1 that its production capacity is 2500 meters per month. These assertions are already on the record of PSPCL. However the actual availability of Power Quality meters can only be confirmed by the vendor. Further, it is submitted that the prayer made by PSPCL in the instant petition is based on the demand raised by industry covered under the designated consumer category.

Regarding the firm's suggestion for granting time extension with specific conditions, the decision of the Commission in this regard shall be finding.

5.3 Objection No. 3 by M/s Kannekt Engineers Pvt. Ltd Faridabad:

a) List of objections

- i. This firm has submitted that as per Power Quality Regulations, 6 months timeline for installation of Power Quality meters was upto 19.09.2023. After issuance of these Regulations, the firm has followed up with the designated consumers but the consumers started buying Power Quality meters only in the last 2 months from July 23 end which is close to the deadline. Now, if any further unconditional relaxation of 6 months is granted to the consumers, they may wait for the last moment again to purchase these meters and it will be great injustice to customers who have purchased meters within time line to obey the Regulations. Further, the firm stated that they oppose the extension petition as around 210 consumers have already bought the Power Quality meters and their active pipeline of 150 no. Power Quality meters is on hold as rumours have started coming in the market that the Commission is extending the timeline for installation. The firm stated that PSPCL's claim in the petition that the empanelled vendor is not having sufficient stock for meters supply is totally false. The firm stated that they have plenty of stock of 300 meters available around and a manufacturing capacity of 1500 meters per month. Further, the firm stated that they do not have any pending order from any client. Consumers were earlier buying with a positive intent until this extension rumour generated chaos. The firm requested that there is no supply issue and further extension should not given. It went on to confirm that they can supply 300 meters upto the consumer premises within 7 days and can supply the full 800 pending meters requirement within 2 weeks after getting confirmed purchase orders. The firm opposed any extension request of PSPCL on this ground. Another suggestion was that a conditional extension of 1 month may be given to customers who present their purchase order copies. It also submitted

that the timeline of 6 months, as already provided to customers is more than adequate when the supplier has ready stock available and their plant capacity/month is double the total requirement.

- ii. The firm submitted that, as of now, 2 vendors are empanelled for Power Quality meters supply w.r.t. tender no. MOP 194. CE/Metering office has floated a new tender MQP-204 where only a single vendor has applied and failed the requirements. Now, another tender, MQP-219, is running where again the same single vendor has quoted. As per the statement of PSPCL, they want to increase the number of vendors. This firm enquired from PSPCL as to how opening of a single party tender will serve their purpose. If MQP-219 will get matured, then only one new vendor will be approved and the existing empanelment would get cancelled. In effect, this activity we will reduce the existing 2 vendors to one single vendor.
- iii. The firm stated that they wanted to bring a very interesting fact before the Commission in that the number of empanelled vendors in the HT meter category in PSPCL from the last 20 years is a maximum of 2 and in some cases it has been a single vendor only. Interestingly, there are more than 10 suppliers of these meters in India but PSPCL is comfortable with only a single or two suppliers in these categories. However, in the case of Power Quality Meters, PSPCL is opening single party tenders since the last 2 times and again wants to keep a single supplier. This firm asserted that they are capable of handling this project & can meet the market expectation. It requested the Commission not to extend the timeline and stated that if it is unavoidable then the same may be increased for a limited time period only with some conditions so that the firm can cater to the pending consumers in the required time frame.

b) Pointwise reply

i Reply to Point No. 1:

PSPCL reiterated its reply as reproduced at Para 5.2 above.

- ii **Reply to Point No.2:** Regarding increasing the number of empanelled vendors for supply of Power Quality meters it is submitted that all efforts are being made by PSPCL to empanel more vendors. PSPCL had earlier floated a tender enquiry MQP-176 for Power Quality meters, which got dropped due to only a Single bid found eligible and lack of competition. Further, tender enquiry MQP-194 was floated and two firms were found technically eligible by Data Assessment Committee i.e. M/s. Energy Electricals, Panchkula and M/s. Kannect Engineers Pvt. Ltd. Faridabad. These firms were empanelled for private sale of power quality meters as per terms and conditions of tender enquiry.

To empanel more vendors for supply of Power Quality meters, PSPCL floated another tender enquiry MQP-204 for procurement of Power Quality meters in which only one firm (M/s. Secure) participated even after 8 extensions. However, a sample of the firm was failed by the Data Assessment Committee and tender enquiry was therefore dropped.

Punjab Govt. vide Gazette notification dated 21.03.2023 notified PSERC (Power Quality) Regulations, 2023. These regulations were adopted by PSPCL vide Commercial Circular No. 12/2023 dated 12.04.2023. To comply with the directives of the Commission and to empanel vendors, tender enquiry MQP-219 dated 07.06.2023 was floated for procurement of Power Quality meters as per new regulations (Power Quality Regulations, 2023). In the said enquiry, in spite of a number of extensions only one firm M/s. Secure has submitted its offer. The same has been opened and sample testing of the sample Power Quality meters submitted by the firm is under progress by the Data Assessment Committee.

Regarding opening of a single bid and empanelment of vendors, it is submitted that the objection raised by the firm is based on presumptions. Therefore, comments on the same cannot be furnished at this stage and can only be furnished after opening of the price bid of the new tender enquiry MQP-219.

iii Issue raised in point 3 of the objections is a matter of record.

5.4 Objection No. 4 by M/s Janitza Electronics GmbH:

a) Main objection

The firm has stated that M/s. Janitza Electronics GmbH, a company based in Germany, have been manufacturing Power Quality and Energy Measurement devices for over 40 years, delivered in more than 80 countries worldwide. All their products are manufactured in their state-of-the-art facility in Lahnau - Germany. They are also focused on energy Management devices and are fully committed to customer's needs in providing quality Metering devices. Currently, they have included in their planning the requirements for Punjab state to ensure unhindered Supply to consumers. They can manufacture, test, and deliver up to 2,000 - UMGS12Pro per month from their facility. Currently, they have around 300 devices ready and configured for PSPCL requirements. Firm stated that their partners, M/s Kannect Services, are fully engaged with consumers to supply them with their devices and fully support them. They supply their products on demand to ensure supplies to consumers go smoothly.

Reply

PSPCL reiterated its reply as reproduced at Para 5.2 above.

6.0 PSPCL further submitted that to empanel more vendors, tender enquiry MQP-219 dated 07.06.2023 has been floated for procurement of Power Quality meters as per new Power Quality Regulations, 2023. Only a single bidder i.e. M/s Secure has submitted its offer which has been opened. Sample testing of sample Power Quality meters submitted by the firm is under progress by the Data Assessment Committee.

Further, PSPCL has reached out to various firms like M/s Yokogava, M/s Soni Electricals, M/s Om Tech, M/s Power Gen, Ametek India etc, for seeking their participation and

suggestion/confirmation on PSPCL Power Quality specifications so that more firms can participate in a future tender enquiry and be empanelled.

7.0 After hearing the parties on 08.11.2023, the order was reserved.

8.0 **Commission's Findings and Decisions**

The instant petition has been filed by PSPCL under Regulation 19, 20 and 21 of Punjab State Electricity Regulatory Commission (Power Quality) Regulations, 2023 read with Regulation 69, 70, 71 & 72 of Chapter XIII of the PSERC (Conduct of Business) Regulations, 2005 for allowing time extension to designated consumers for installation of Power Quality Meters. The Commission observes that a six months extension for installation of Power Quality meters has been sought by PSPCL by referring to representation from industry regarding inadequate availability of meters resulting in their inability to order and procure the meters within the stipulated six months due to there being only two empanelled vendors. However, both PSPCL and the Industrial Association could not produce any evidence to refute the claim of the empanelled vendors that they have sufficient stock of Power Quality meters to meet the demand of designated consumers. Regarding empanelment of more vendors, PSPCL submitted that a fresh tender was floated but even after a number of extensions, only one firm participated and its sample testing is under progress. It has been pointed out by one of the objectors that in case the new vendor is approved, the empanelment of the existing two vendors may get cancelled and PSPCL may be left with only one approved vendor. PSPCL in its reply termed the apprehension of the objector as based on presumptions but PSPCL has not categorically ruled out the possibility of such a scenario. PSPCL also admitted that the number of

empanelled vendors for HT meters has been a maximum of two for the last 20 years. A Power Quality meter is an advanced technology meter and these meters are mostly imported by the vendors from international manufacturers for supply to the consumers.

Regarding the issue of an approved procedure for implementation of Power Quality Regulations not being notified by PSPCL which was raised by the Induction Furnace Association, PSPCL has submitted that the same has been issued. However there was inordinate delay by PSPCL in issuing of these procedure/guidelines. PSPCL has also issued the instructions for sharing of the harmonics data of Power Quality meters with the consumers only on 28.09.2023.

It is also a fact that PSPCL failed to issue notices to the designated consumers within the stipulated 15 days of the issue of notification as specified in Regulation 13.4 of Power Quality Regulations, 2023 and to create awareness amongst the consumers regarding implementation of various provisions of the Power Quality Regulations. PSPCL also delayed the issuance of directions/guidelines to the field officers regarding the methodology of calculating Short Circuit ratio of designated consumers and sharing of harmonic injection data with the consumers to enable them to take necessary remedial measures. Thus, it is evident that non-availability of meters or less number of vendors is not established as an impediment for procurement and installation of Power Quality meters by the designated consumers. However, it is the delay on the part of PSPCL to implement various provisions of the Power Quality Regulations which may have resulted in non compliance by the designated consumers.

The Commission appreciates that Power Quality, particularly parameter like harmonics is a new concept and both the distribution licensee and the designated consumers need some time to ensure

compliance of various provisions of Power Quality Regulations. However, now that PSPCL has issued the necessary guidelines and procedures for implementation of Power Quality Regulations and designated consumers are also well aware of the various aspects of these Regulations, it is the right time to lay the firm roadmap for implementation of the Power Quality Regulations to achieve the intended goal of quality supply to consumers. Accordingly, in order to allow more time to the designated consumers to install Power Quality meters and implement various provisions of the Power Quality Regulations, the Commission, using the power vested in it by virtue of Regulation 19, 20 and 21 of Power Quality Regulations read with Regulation 69,70,71 & 72 of the PSERC (Conduct of Business) Regulations, 2005, as amended from time to time, relaxes the various time lines for implementation of Regulation 13 of the Power Quality Regulations as under;

1. The designated consumers, as specified in first proviso to clause (1) of Regulation 5 of Power Quality, Regulations 2023, shall install the Power Quality meters up to 31.03.2024.
2. In case the designated consumer fails to install power quality meter within the stipulated time i.e. up to 31.03.2024, a 15 days' notice shall be issued to such designated consumer by the distribution licensee and thereafter, in case the non-compliance continues, a penalty at the rate of Rs.50/kVA/month on the sanctioned contract demand or contracted demand under Open Access, as may be applicable, shall be levied.
3. In case the designated consumer, fails to install Power Quality meter by 30th June, 2024, then a penalty at the rate of Rs. 80/kVA/month on the sanctioned contract demand or

contracted demand under Open Access, as may be applicable, shall be levied.

4. In case the designated consumer, fails to install Power Quality meter by 30th September, 2024, then such consumer shall be liable to pay compensation @ 10% of the total monthly consumption charges (fixed and energy charges) till installation of Power Quality meter. After installation of Power Quality meters, the compensation, if any, shall be governed by Regulation 13.11 of the Power Quality Regulations.
5. With effect from 1st October 2024, all the designated consumers, as specified in first proviso to clause (1) of Regulation 5 of Power Quality, Regulations 2023, shall be liable to pay compensation to the distribution licensee as per the provisions of Regulation 13.11 of the Power Quality Regulations in case the Total Demand Distortion (TDD) values exceeds the limits specified in Regulation 13.7.2 of Power Quality Regulations.
6. The designated consumers may opt to be governed by the provisions of Regulation 13.11 of the Power Quality Regulations before 1st October, 2024 as per first proviso to Regulation 13.8 of the Power Quality Regulations.
7. All other provisions of the Power Quality Regulations shall remain in force without any amendment.

Before disposing of this petition, we will like to make it clear to all the stakeholders that the above relaxations have been allowed only to give sufficient time to the designated consumers and the distribution licensee to facilitate smooth transition from an existing system of levy of higher tariff to power intensive industrial consumers on the premise

of harmonics injection in the power system by all such consumers, to a new technology based system of measuring the actual levels of harmonics injection by the power intensive industrial consumer and recovery of compensatory charges only from such consumers who inject current harmonics above the threshold limit thus incentivising the consumers who invest in maintaining healthy and clean manufacturing processes in their industrial units.

The petition is disposed of accordingly.

Sd/-

(Paramjeet Singh)
Member

Sd/-

(Viswajeet Khanna)
Chairperson

Chandigarh

Dated: 06.12.2023