

PUNJAB STATE ELECTRICITY REGULATORY COMMISSION

SUPPLY CODE, 2024

Explanatory Memorandum

The Punjab State Electricity Regulatory Commission in exercise of the powers conferred under Section 181 read with Sections 43, 44, 45, 46, 47, 48, 50, 55, 56, 57, 58, 59, 126, 127, 135, 152, 154 & 163 of the Electricity Act, 2003 (Central Act 36 of 2003) read with Electricity (Amendment) Act, 2007 (No. 26 of 2007) and all other powers enabling it in this behalf and in compliance of Electricity (Removal of Difficulties) Order, 2005, issued by the Ministry of Power, Government of India bearing No.S.O.790 (E) dated 8th June 2005, notified the Punjab State Electricity Regulatory Commission (Electricity Supply Code and Related Matters) Regulations, 2014 vide notification dated 5th November, 2014 (in short Supply Code, 2014). Thereafter, thirteen amendments in Supply Code regulations have been issued from time to time.

Government of India notified Electricity (Rights of Consumers) Rules, 2020 vide notification G.S.R. 818(E) dated 31.12.2020. These rules have further been amended vide notification G.S.R. 448(E) dated 28.06.2021, notification G.S.R. 306(E) dated 20.04.2022, notification G.S.R. 437(E) dated 14.06.2023 and notification G.S.R. 125(E) dated 22.02.2024. Accordingly the Supply Code is required to be aligned with Electricity (Rights of Consumers) Rules, 2020, as amended from time to time. Also to facilitate the consumers to get prompt and efficient service from the distribution licensee, various provisions have been incorporated in the Code and distribution licensee has been made responsible to provide these services within the time lines specified in this Code failing which penalties have been proposed. The distribution licensee has been mandated to provide various services online as far as possible and simplify the procedures.

Section 181 of the Electricity Act, 2003 empowers the Commission to make regulations consistent with the Act and the Rules to carry out the provisions of the Act. Accordingly, Punjab State Electricity Regulatory Commission (Electricity Supply Code, Standards of Performance and Related Matters) Regulations, 2024, in short Supply Code, 2024 was drafted and was discussed in

the meeting of the Supply Code Review Panel held on 29.05.2024. After examination of the recommendations of the Review Panel, the Supply Code has been suitably amended. The highlights of the draft Code are as under:

- 1) The provisions regarding release of connection in case of purchase of existing property and sub-divided property have been incorporated to bring clarity.
- 2) Provision for separate connection for EV charging in the same premises under relevant schedule has been proposed to promote electric vehicles.
- 3) The procedure for grant of connection, temporary connection, reduction/enhancement of load etc and submission of documents to be submitted by the consumers have been made transparent and hassle free by incorporating following provisions:

3.1 The distribution licensee to prominently display on its website and on the notice board in all its offices, the following;

- (i) detailed procedure for grant of new connection, temporary connection, change of consumer category, enhancement of load, reduction of load or change in name, transfer of ownership and shifting of connection etc;
- (ii) address and telephone numbers of offices where filled-up application forms can be submitted;
- (iii) address of website for online submission of application forms;
- (iv) complete list of the documents required to be attached with the application; and
- (v) all applicable charges to be deposited by the applicant.

3.2 The distribution licensee shall create a web portal and a mobile app for submission of online application forms. Submission of hard copies in case of online application form through web portal or mobile app is not required and online copies should be considered as authentic and genuine.

- 3.3 The applicant shall have an option to submit an application form in hard copy form or an electronic means such as online through web portal or mobile app of distribution licensee.
- 3.4 In case the applicant opts for Aadhaar verification then no signatures on the A&A form or separate identity proof shall be required and applicant shall upload only the proof of ownership/occupancy.
- 3.5 The application tracking mechanism based on the unique registration number shall be provided by the distribution licensee through web-based application or mobile app or through SMS or by any other mode to monitor the status of processing of the application.
- 4) The period for issuance a Demand Notice for various categories have been reduced. The compensation to the applicant by the distribution licensee has been proposed for delay in issue of Demand Notice.
- 5) The distribution licensee shall give supply of electricity to the premises of the applicant, within three days in cities Ludhiana, Jalandhar and Amritsar, seven days in other municipal areas and fifteen days in rural areas, after receipt of the application complete in all respect failing which compensation ranging from Rs. 200/- per day to Rs. 1000/- per day shall be paid automatically by the licensee to the applicant.
- 6) Along with the provisions for determination of connected load, the concept of 'contracted load' is proposed to be introduced for implementation of Consumer Rules. As in the case of Contract Demand, a load based consumer shall declare the contracted load which shall not be less than 70% of the connected load at the time of submitting A&A form otherwise his connected load shall be considered as contracted load. The contracted load shall be used for design of supply system and levy of various charges. The existing consumers may be given option to declare contracted load and in such case the licensee shall replace the meter within 15 days, if existing meter is not capable of recording Maximum

Demand.

- 7) In case of DS/NRS consumers not covered under Contract demand system, if the maximum demand (in kW) recorded by the consumer meter exceeds the sanctioned load or contracted load in three or more billing cycles (in case of monthly billing) and two or more billing cycles (in case of bi-monthly billing) in a financial year, then the lowest of the maximum demand so recorded in such billing cycles shall be deemed to be the revised sanctioned/contracted load of the consumer from next financial year.
- 8) It has been proposed to levy fixed kW/kVA charges on normative basis as may be approved by the Commission for applications upto a load/demand of 150 kW/kVA. All the charges shall be got deposited at the time of application and no demand notice up to a load/demand of 150 kW/kVA shall be issued except for electric connections outside village Phirni where the total length of service line exceeds 500 meters, the applicant shall also pay variable charges for additional length of service line along with fixed service connection charges on kW basis. The connection shall be released within time period specified from the date of submission of application complete in all respects.
- 9) To promote industry in the State, following provisions have been proposed:
 - 9.1 to raise the limit for supply at 11 kV from 4000 kVA to 5000 kVA. The applicant shall pay actual cost of the line.
 - 9.2 Presently, the applications for a demand exceeding 500 kVA are required to first obtain feasibility clearance before submitting A&A form. Now, it is proposed to raise the threshold from 500 kVA to 2000 kVA Accordingly, all the related provisions have also been amended.
 - 9.3 Presently, after obtaining feasibility clearance, the 66 kV and above applicants are asked to deposit route survey fee for finalising route for the transmission line resulting in delay in processing of the case.

Now it has been proposed that the amount of EMD (5% of security consumption) submitted by applicant shall be considered to include the route survey fee.

- 9.4 Extension of demand up to 10% of sanctioned CD subject to maximum of 500 kVA for the all HT/EHT consumers is proposed to be allowed without following the normal procedure for extension in demand. All charges shall be deposited by the consumer at the time of application and such extension shall be allowed within 15 days of the application
 - 9.5 Presently, reduction in load after feasibility clearance and before submission of A&A Form is considered as new requisition but now it is proposed that such request may be allowed without considering it as new application.
 - 9.6 For connections exceeding 150 kVA, it has been proposed that initially Security (works) as per the cost data shall be got deposited from the applicant and work shall be taken up by the licensee immediately after deposit of security (works). Detailed estimate shall be got approved by the concerned office from the competent authority thereafter. If amount of estimate is more than 30% of Security (works), the revised demand notice shall be issued. It will expedite release of connections.
 - 9.7 Security (consumption) for billing through AMR or smart meter shall be for one month for monthly billing, as in case of spot billing.
- 10) For temporary connection upto 7 kW, only monthly rental @ Rs.40 per kW shall be recoverable. For other loads, estimated cost for providing supply shall be got deposited and after disconnection of temporary supply depreciation @ 1% per month of the material cost has been specified for settlement of account.
 - 11) Temporary connection to be released in two days if connection is to be released from existing network and in 7 days for LT supply & 30 days for 11 kV supply where extension/augmentation is required.

- 12) The release of more than one connection in the same premises has been elaborated to bring clarity and avoid Unauthorized Use of Electricity (UUE) cases.
- 13) All consumers in areas with communication network, shall be supplied electricity with Smart Meters working in prepayment mode within the timelines as specified by the Central Government. Any exception to the smart meter or prepayment meter shall have to be duly approved by the Commission.
- 14) The consumer shall have the option to purchase own meter of approved make and specifications from the approved vendors.
- 15) The distribution licensee shall be responsible for safe custody of the meter, if the meter is installed outside the consumer's premises and if the meter is installed in the premises, the consumer shall be responsible for safe custody of meter.
- 16) In case a meter is installed outside the premises of a consumer, the service cable from the outgoing terminals of the meter to Miniature Circuit Breaker/main switch installed at the consumer premises shall be provided and maintained by the distribution licensee at its own cost.
- 17) In case of prepaid meter, the licensee shall ensure that;
 - (i) there is arrangement for recharge of the credit in the meter by the consumer online and offline within area of his supply.
 - (ii) the meter shall set off alarm when the balance amount in the meter account has reached the threshold amount defined by the consumer.
 - (iii) the electricity supply shall be automatically cut-off once the credit gets exhausted in the meter and there shall be no requirement of 15 days notice. This shall not be treated as disconnection and the supply shall be resumed automatically on recharging. No reconnection fee shall be recovered.

- (iv) In case of offline recharge for pre-payment meter, the recharge coupon shall have validity of three months after which the same shall be required to be revalidated.
- (v) adequate number of vending machines for facilitating recharge of coupons in addition to the facility of online recharge shall be provided.
- (vi) there is vending system interoperability so that consumer shall not have any problem in getting recharge coupon from anywhere through any mode as per the availability of the service. It shall be possible to recharge coupon for different make of meters from any vending station.

A rebate of 1% shall be allowed on the energy charges in case of prepaid meter.

- 18) In case of complaint from the consumer regarding the meter reading not being commensurate with his consumption of electricity, the distribution licensee shall install an additional meter within 5 days from the date of receipt of the complaint, to verify the consumption, for a minimum period of 3 months.

No test fee shall be charged at the time of reporting but if meter is found to be correct then testing fee shall be charged from the consumer. In case a consumer is not satisfied with the site testing of the meter installed in his premises then the meter shall be removed and packed/sealed in the presence of consumer/authorized representative for testing in the laboratory. If a consumer disputes the results of testing, the meter shall be tested at a third party testing facility selected by the consumer from the list of third party testing agencies approved by the Commission.

- 19) The distribution licensee shall replace the defective/burnt meter within 24 hours in urban areas and within 72 hours in rural areas.
- 20) The period of overhauling of the account in case of inaccurate meters is proposed to be specified as maximum 12 months provided that shorter period would be considered if the period during which meter remained

inaccurate, is established from the meter data. For defective meters, the period of overhauling of the account shall be 6 months but for burnt/stolen meters this period is proposed to be lowered to 3 months.

- 21) The provision regarding overhauling of the account in case of defective bi-directional meter has been inserted along with seasonal industry consumers.
- 22) The distribution licensee shall prepare the bill of each billing cycle based on actual meter reading (except in case of pre-paid meters) and to ensure delivery of the bill to the consumer by hand or post or courier or e-mail or any other electronic mode at least ten days prior to the due date of payment. The bill shall be uploaded on its website also.
- 23) In the event of anticipated long absence, a consumer may deposit in advance an amount equivalent to Fixed Charges along with meter rentals and any other applicable charges for the period of absence. In such cases, the distribution licensee shall not send any notice or provisional bill to the consumer and his supply line shall not be disconnected.
- 24) For post payment meters, if the premises is locked or the meter is inaccessible to the meter reader on two consecutive meter reading dates, the consumer shall have the option to send the picture of the meter indicating the meter reading and date of meter reading through registered mobile or through registered e-mail to the authorized office of the licensee.
- 25) in case of non-receipt of bill, the consumer shall have the option to deposit the bill on self-assessment basis before the due date calculated on the basis of the consumption of corresponding month of the previous year.
- 26) The limit of cash payment is proposed to be reduced to Rs. 5000/- in case of monthly and Rs. 10,000/- for bi-monthly bills. Payment exceeding Rs.10,000 is proposed to be made only through digital mode.
- 27) In case a consumer deposit advance payment of future bill, the distribution licensee shall give interest at MCLR for one year.
- 28) The disputed bill case shall be settled by the distribution licensee within 24 hours if no additional information is required.

- 29) The supply of electricity to the tenant(s) by a consumer through a sub meter shall not be considered as UUE provided the sub meter is used only to apportion energy bill on 'no profit no loss basis'.
- 30) Upto 10% increase in demand and also resulting in change in tariff category at first instance shall not be considered as breach of agreement and only notice shall be issued. Only demand surcharge shall be levied in such case. The second violation within 6 months shall be treated as UUE.
- 31) Provision for voluntary disclosure of tampered meter/seals in case of DS connections has been proposed. In such cases, a DS consumer with load less than 2 kW shall have to pay penalty for 3 months and for all other consumers for 6 months. Such disclosure shall be availed by consumer only once.
- 32) Following provisions have been proposed for expeditious disposal of consumer grievances;
- (i) The distribution licensee to register all the complaints and for providing common services like new connection, disconnection, reconnection, shifting of connection, change in name and particulars, load change, replacement of meter, no supply etc., the distribution licensee shall establish a centralised 24x7 toll-free call centre. All complaints shall be assigned a unique registration number which shall be used for monitoring the disposal of the complaint.
 - (ii) The distribution licensee shall provide online access to consumers to apply for various services within a period of 6 months from the date of notification of these regulations.
 - (iii) While other modes to provide services like paper application, email, mobile, website, etc., may continue, the licensees shall endeavour to provide all services through a common Customer Relation Manager (CRM) System.
 - (iv) The CRM shall have facilities for SMS, email alerts, notifications to consumers and officers of the licensee for events like receipt of

application, completion of service, change in status of application, etc; online status tracking and auto escalation to higher level, if services are not provided within the specified time period.

- (v) The distribution licensee shall, in addition to its notified offices and centralized call centre, set up an adequate number of complaint centres for the registration/redressal of the complaints by consumers/applicants.
 - (vi) The licensee shall hold regular quarterly grievances re-dressal meetings with consumers at sub-divisional and above levels which shall be attended by officers not below the rank of Sr. XEN.
- 33) The distribution licensee shall prepare a “Manual of consumer services” within 3 months of the notification of these regulations. The manual shall include all the details and procedures for availing various services along with approved forms/charges and list of designated officers/officials responsible for delivering these services. The manual shall also include the procedure for claiming compensation in case of failure of the licensee to deliver service within stipulated time. The manual shall be available to the consumers free of cost and a copy shall also be available on licensee’s website.
- 34) The Distribution Licensee shall provide various services viz release of connection, payment of bill, resolution of disputed bills etc. to the senior citizens at the doorstep.
- 35) The minimum standards have been specified for the distribution licensee for rendering various services to the consumer viz restoration of supply, complaints about meter, release of connection/enhancement or reduction of load, transfer of connection, shifting of connection, resolution of billing complaints etc. For failure of the licensee to render these services within the prescribed time lines, consumer shall be entitled to get compensation from the licensee.
- 36) Automatic payment of compensation has been specified and in case automatic compensation is not made by the licensee then the consumer

may approach the Forum but compensation shall be 1.5 times the amount specified in normal case.

37) Provisions in respect of Colonies

37.1 Supply of Electricity to Individual Consumers in the Residential colonies/complexes, Commercial Complexes/Malls, IT Parks and Industrial Complexes/Parks/Estates

- (i) The loading norms for industrial parks/estates have also been proposed
- (ii) After applying for the NOC, the temporary connection for site/camp office only upto 10 kW in the name of the promoter has been proposed for a period of 90 days or issue of the NOC whichever is earlier. Presently, temporary connection is allowed only after issue of the NOC.
- (iii) In case, the estimated load exceeds 10000 kVA, the promoter shall be required to provide 1000 Sq. meter land at collector rates to the licensee for grid sub-station.
- (iv) Keeping in view the gradual load growth in colonies, option has been given to the promoter to hand over the DTs to the licensee for later deployment by the licensee as per load growth.
- (v) While applying for individual connections, the owner/occupier of the dwelling units in a colony shall be required to pay 50% of service connection charges and the licensee shall lay the last mile service cable. This provision has been made to avoid last minute complications at the time of release of connection due to missing service cable.
- (vi) 100% loading of DTs and feeding lines has been proposed.
- (vii) The electricity supply to the common services in residential colonies is proposed to be provided at DS Tariff.
- (viii) Separate connection for EV charging has been proposed.

37.2 Single Point Supply to Residential Colonies/Multi-Storey Residential Complexes and Co-operative Group Housing Society/ Employer

- (i) PSERC (Single Point Supply to Coop. Group Housing Societies/Employers) Regulations, 2008 are proposed to be repealed and the provisions made in the Supply Code itself.
- (ii) The applicant for single point supply shall comply with all the conditions as applicable for residential colonies/complexes set up under the bye-laws of the State Govt.
- (iii) The society/colony availing single point supply shall declare the Contract Demand which shall not be less than 70% of the estimated load.
- (iv) The society/colony availing single point supply shall be billed at the tariff for Bulk Supply (Domestic) approved by the Commission as per Consumer Rules, 2024.
- (v) In line with the Consumer Rules, 2024 the residential society with individual connections has been given the option to take single point supply if majority of the owners opt for the same through ballot. The option to effect vice-versa has also been provided.
- (vi) The applicant shall raise energy bills to the residents on 'No Profit No Loss' basis, in line with the Consumer Rules, 2024.
- (vii) The metering, billing and collection shall be done by the applicant. The single point supply shall be governed by the Model Agreement, draft of which shall be submitted by the licensee for approval of the Commission within three months. Existing agreements are proposed to be replaced with the aforementioned Model Agreement.
- (viii) The residents shall have the same rights and obligations as the consumers of the Distribution Licensees.

- (ix) The applicant, in lieu of obligation to maintain the LD system, carry out billing and collection of energy bills from the occupiers etc. shall be allowed a rebate of 4% on energy charges payable by the applicant to the licensee.
- 38) Provisions have been made for release of connection in abandoned colonies on deposit of specified development charges by the owners/occupier.
- 39) **Single Point Supply to Commercial Complexes/Malls, IT parks and Industrial Parks/estate developed under bye-laws/rules of the State Govt.**

Distribution Licensee may give single point connection for supply of electricity to commercial complexes/malls, IT parks and industrial parks/estate. The supply at single point in such cases shall be governed as under:

- (i) The promoter shall submit its requisition for getting single point connection for supply to the commercial complexes/malls, IT parks, industrial park/estate along with complete lay out plan of the electrical network i.e. LD system for the complex along with processing fee as per Schedule of General Charges for getting NOC from the distribution licensee
- (ii) The promoter shall furnish a bank guarantee valid for the period of NoC equivalent to 35% of the estimated cost as specified in of this Code.
- (iii) The promoter may declare the contract demand of the complex which shall not be less than 70% of the estimated load of the complex determined as per this Code otherwise the estimated load shall be considered for calculating contract demand by using power factor of 0.9.
- (iv) On completion of LD system, the promoter shall seek connectivity at single point from the distribution licensee by paying the connectivity

charges including system loading charges for the total sanctioned contract demand as specified this Code.

- (v) The promoter shall deposit Security (consumption) corresponding to the sanctioned contract demand and Security (meter) with the distribution licensee.
- (vi) The promoter shall be responsible to operate & maintain all infrastructure, including transformers, required for distribution of electricity within the premises at his own cost.
- (vii) The promoter shall be responsible for release of individual connections to the occupiers of such complex.
- (viii) The promoter shall be responsible for metering, bill generation and collection to the individual occupiers in the complex.
- (ix) A main meter at the point of supply shall be installed by the Distribution Licensee. In case of Commercial Complexes/IT parks The promoter shall be billed as per sanctioned contract demand and the meter consumption in accordance with the tariff applicable for the NRS category. In case of Industrial estate, the billing shall be as per Schedule of Industrial Tariff (General).
- (x) The promoter, in lieu of his obligation to maintain the LD system, carry out billing and collection of energy bills from occupiers etc shall be allowed a rebate of 2% on energy charges payable by the promoter to the distribution licensee.
- (xi) The promoter shall not charge from the occupiers more than the tariff approved by the Commission for the relevant category of consumers.
- (xii) The promoter shall deposit a “performance guarantee” in the form of bank guarantee for an amount equivalent to 20% of the estimated cost of LD System for performance of various duties within the complex as per the terms and conditions approved by the Commission in the Model Agreement.

- (xiii) All the franchisee agreements for single point supply of electricity to commercial complexes/malls, IT parks, Industrial estates developed under bye-laws/rules of the State Government as per 7th proviso to section 14 of the Act read with Regulation 6.6.2 of the repealed Supply Code, 2014 signed before the notification of these regulations shall be governed by the provisions of this Code and the franchisee agreements shall be substituted with the provisions of Model Agreement to be approved by the Commission as specified in this Code.

The Draft of the PSERC (Electricity Supply Code, Standards of Performance and Related Matters) Regulations, 2024 is enclosed. The comments/suggestions/objections from all the stakeholders are solicited under Sub-section (3) of Section 181 of the Electricity Act, 2003 read with Rule 3 of the Electricity (Procedure for Previous Publication) Rules, 2005 on the draft Supply Code, 2024.