

West Bengal Electricity Regulatory Commission

Plot No-AH/5, Premises No. MAR16-III,
Action Area- IA, New Town, Rajarhat, Kolkata – 700163
Tel.- 033 2962 3756, Fax – 033 2962 3757
Email – cp-wberc@gov.in, Website – www.wberc.gov.in

West Bengal Electricity Regulatory Commission (Standards of Performance of Licensees Relating to Consumer Services) (Third Amendment) Regulations, 2019

STATEMENT OF REASONS

Dated: 19/11/2019

1. Introduction

The Commission, in exercise of its power conferred by sub-section (1) and clauses (za) and (zb) of sub-section (2) of section 181 read with sub-section (1) and (3) of section 43, sub-section (1) and (2) of section 57, sub-section (1) of section 59, clause (i) of sub-section (1) of section 86 and section 97 of the Electricity Act, 2003 (36 of 2003) and in compliance with the requirement of previous publication under section 181(3) of the Electricity Act, 2003, published the draft West Bengal Electricity Regulatory Commission (Standards of Performance of Licensees Relating to Consumer Services) (Third Amendment) Regulations, 2019 (hereinafter referred as the "Draft SOP 3rd Amendment 2019") on its website and invited suggestions/objections/comments vide public notice No WBERC/Regulation-52/16-17/4148 dated 12.06.2019 published in 6 nos of leading newspapers. The last date of submission of comments was 31.07.2019.

2. Background and objective of the Draft SOP Amendment 2019

- 2.1 Additional Chief Secretary to the Government of West Bengal in the Department of Power & NES vide letters dated 08.04.2019 and 11.04.2019 has advised to review the provisions of SOP Regulations, 2010 in the context of Central Electricity Authority (Measures relating to Safety and Electrical Supply) Amendment Regulations 2015 and BRAP recommendations 2018 and 2019. In the meantime, CEA also published Central Electricity Authority (Measures relating to Safety and Electrical Supply) Amendment Regulations 2018 on 1st March 2018. The related recommendations and requirements of BRAP and amendments of CEA regulations are as below:

A) The Business Reform Action Plan (BRAP) recommendations no 105 & 115 require submission of online application, payment thereof, tracking and monitoring without any need of physical touch point for document submission and verification for obtaining electrical connection. The recommendation 108 of BRAP requires utilities to provide fixed cost estimate based on the load (kVA / kW) for obtaining electricity connection_in all Industrial areas of State and ensure this through the on-line system.

B) Central Electricity Authority (Measures relating to Safety and Electrical Supply) Amendment Regulations 2018 requires for submission of self-certificate by the owner to the Electrical Inspector in specified formats before commencement of supply or recommencement after shutdown for six months & above for every electrical installation of notified voltage and below, except in cases of mines, oil fields and railways. The electrical installations so self-certified shall be considered fit for commencement or recommencement of supply only after the report of self-certification duly received by the office of the Electrical Inspector. All other electrical installations are required to be inspected and tested by Electrical Inspector before commencement of supply or recommencement after shutdown for six months & above.

2.2 The West Bengal Pollution Control Board vide a direction issued under memo no 245A-180L/WPB/2001(PART-1) dated 22/05/2015 specified that, the distribution licensees supplying electricity to industries shall not insist on production of valid consent of State Board for giving connection to industries.

2.3 In order to facilitate quick disposal of new connections through online system without any provision of physical touch point as proposed in the BRAP recommendations and to ensure safety measures as provided in the amendment of CEA safety regulations as well as to incorporate the policy direction of the West Bengal Pollution Control Board, the Commission has decided to amend the existing Standard of Performance Regulations. Accordingly, in exercise of the power conferred under section 181 of the Electricity Act 2003 and following the requirements of pre-publication the Commission published the Draft SOP 3rd Amendment on 12.06.2019 inviting suggestions/ objections/ comments from all concerned. In the draft amendment, the Commission has provided 1 years' time-line to the distribution licensee for preparation towards online system development. The last date of submission of suggestions/ objections /comments was 31.07.2019.

3. ANALYSIS OF THE SUGGESTIONS/ OBJECTIONS/ COMMENTS RECEIVED ON DRAFT SOP 3rd AMENDMENT 2019

Suggestions/objections/comments from two (2) stakeholders namely, Dept. of Power & NES, Government of West Bengal and CESC Limited have been received within due date. The issues raised by the stakeholders are analysed below:

3.1 Online system for application, estimation and payment:

A) Regulation 3.1.4 as proposed in Draft SOP 3rd Amendment 2019:

"3.1.4 All distribution licensees shall within one year prepare an online system to receive application and payment thereof from the intending or existing consumers for supply of electricity or extension of load or alteration of service, as the case may be. The online system shall be able to provide a fair estimate of expenditure required to provide for such new connection or extension of load or alteration of service based on the required load (in kVA / kW). Such estimate shall consider all requirements under regulations 3.1.2 of these Regulations. The system shall generate an application number for each intending or existing consumer when they make the payment and provide facility to track the status of the application by the intending or existing consumers. Licensees shall also incorporate the detailed procedures to be followed by the existing/intending consumers in the procedures developed under regulation 13.13 of these Regulations by the respective licensees."

B) Suggestion / objections / comments received from dept. of Power & NES, GoWB:

The Dept. of Power & NES, GoWB in their suggestions requested for replacing the words 'fair estimate' by online system with the word 'quotation' by online system. It is also suggested that, the system would generate unique application number immediately on making application irrespective of whether payment is made or not. They have placed the following reasons in support of their suggestion:

- a) Regulation 3.1.4 is, infact, an attempt to provide on-line system without changing basic stipulations of offline system, so long in vogue, as indicated in Regulations 3.1, 3.1.1, 3.1.2 and 3.1.3.
- b) In all these Regulations the word "quotation" has been used uniformly;
- c) In the proposed Regulation 3.1.4, a new coinage word, namely "fair estimate of expenditure" is tried to be used in place of "quotation", which may lead to confusions to the Applicant as well as to the licensee.
- d) Besides, an Applicant can pay, if he chooses, against the quotation but no payment can obviously be made against estimate of expenditure.

- e) Existing Regulation 3.1.3 allows the Applicant to pay which necessarily means payments of the quotation amount, not amount relating to fair estimate of expenditure.
- f) The Licensee will also be overburdened if it is mandated to issue to one fair estimate of expenditure in terms of proposed Regulation 3.1.4 and a quotation in terms of existing regulation 3.1.1. This will add more confusion also to the Applicants.
- g) The word 'fair' in the term "fair estimate of expenditure" appears to be misnomer, in as much as, all the quotation of the Licensee is always fair and strictly on the stipulations made under various Regulations. As such using of the word "fair" may also lead to further confusion.
- h) In order to bring absolute parity between the Regulations 3.1, 3.11, 3.1.2 and 3.1.3 with the proposed regulation 3.1.4 the aforesaid changes are suggested.

Analysis and views of the Commission:

The amendment suggests for shifting to online system from the existing system within one year to ensure receiving online applications, online cost-estimation, online payment and document submission & verification with online tracking and monitoring system as per Business Reforms Action Plan (BRAP) recommendations as suggested in the letter dated 11.04.2019 from Additional Chief Secretary to the Government of West Bengal in the Department of Power & NES.

As one of the basic requirements of BRAP is to avoid physical touch point and to provide fixed cost estimation based on the load (KVA/ KW) required for obtaining electricity connection in all Industrial areas of State / UT through online system, the existing provisions for physical inspection etc as per existing provisions of SOP regulations will not continue after implementation of the proposed online system. In the draft it is clearly mentioned that the online system shall be able to provide fair estimation. Thus, the reason mentioned in paragraph (a) above by Dept. of Power & NES, govt. of West Bengal in their suggestion seems to be inconsistent with the earlier advise of the government and BRAP recommendations.

Regarding the observation in paragraph (f) above, the Commission considers that estimation and quotation generation being online without any physical touch point will reduce work burden, expenditure as well as time and will be beneficial for both licensee and consumers.

The Commission also notes that licensees are already providing such online estimation / quotation for L&MV categories both in WBSEDCL area and in CESC area. At present WBSEDCL is providing service connection at L&MV upto contracted capacity of 125 kVA. WBSEDCL has also proposed to increase it upto 200 kVA. Thus, BRAP proposal for online estimation based on contractual load (KVA / KW) without physical touchpoint is basically a recommendation to enhance the existing system for all the Industrial consumers.

Considering the preparatory activities one-year time has been proposed. The Commission also observes that it is quite difficult for online computation of exact costs specially for long distances with ROW issues and thus the term 'fair estimate' was proposed. However, considering the suggestions made in paragraph (d) above the words 'fair estimate' is replaced with the word 'quotation' along with an additional provision to recover any excess cost above quotation value incident to ROW and/or any other issues. The Dept. of Power & NES, GoWB also suggested for automatic application number generation prior to making payment in line with existing practice, which is agreed to.

C) Suggestion / objections / comments received from CESC Limited.

- (1) CESC Limited suggested that, In the second sentence of the draft regulation the word "*fair estimate of expenditure*" may kindly be replaced by the word "*quotation*". CESC limited in their remarks also mentioned the following:

'Regulation 3.1.4 is intended to provide an on-line system without changing the basic stipulations of the existing system to facilitate consumer convenience as specified in Regulations 3.1. In all these Regulations "*quotation*" has been used uniformly. The new expression, "*fair estimate of expenditure*" may lead to confusions to the Applicant as well as to the licensee, if the licensee is mandated to provide one fair estimate of expenditure followed by a quotation later. In order to bring parity between the Regulations 3.1 with the proposed 3.1.4, the aforesaid changes are suggested.'

- (2) CESC limited also suggested that, in the fourth sentence of the draft regulation the expression "*when they make the payment*" may kindly be modified as "*immediately upon*

online submission of its application as per Annexure A/A1, as applicable". They have submitted that:

'In the existing online system of CESC Limited, immediately on submission of Annexure A/A1, as applicable, a numeric unique application number (UAN) is generated, irrespective of whether the payment is made or not. The Applicant can track payment status and progress of his application with the said UAN from the beginning down to the point of release of supply by the licensee. In this system the consumer will have better convenience in interacting with the licensee. So, in view of that, requirement of generation of unique application number only after making the payment may kindly be modified.'

Analysis and views of the Commission: The issues were already discussed in the above paragraphs. The suggestion regarding generation of unique application number immediately upon submission of application is agreed to.

D) In line with the above analysis, it is proposed to modify the regulation 3.1.4 as below to incorporate it in the Third Amendment of SOP regulations:

"3.1.4 All distribution licensees shall, within one year, from the date of publication of notification in the official Gazette prepare an online system to receive application, generate quotation and receive payment thereof from the intending or existing consumers for supply of electricity or extension of load or alteration of service, as the case may be. The online system shall be able to generate quotation of expenditure required to provide for such new connection or extension of load or alteration of service based on the required load (in kVA / kW). Such amount shall consider all requirements under regulation 3.1.2 of the Principal Regulation. The system shall immediately upon submission of application generate a unique application number for each intending or existing consumer and provide facility to track the status of the application by the intending or existing consumers. Licensees shall maintain adequate facilities in their supply office to assist the intending / existing consumers with the online system."

Provided that the difference, if any, between the actual expenditure incurred by the licensee and the amount provisionally paid by the consumer based on the system generated quotation shall be adjusted with the first six months' electricity bill of the consumer."

3.2. Submission of self-certification duly received by the office of Electrical Inspector:

A) Paragraph 8 of Annexure -B as proposed in Draft SOP 3rd Amendment 2019:

"8. I/ We declare that electrical installation installed at my /our premises are to be supplied at notified voltage or below and not includes installations of mines, oil fields and railways. I/We also enclose a copy of self-certificate duly received by the office of Electrical Inspector i.r.o electrical installations installed at my / our premises.

Or

I/We also enclose a certificate issued by the office of Electrical Inspector i.r.o electrical installations installed at my / our premises."

B) Suggestion / objections / comments received from dept. of Power & NES, GoWB:

The Dept. of Power & NES, GoWB in their suggestions requested to modify the paragraph 8 of Annexure-B as below:

"I/ We declare that electrical installation installed at my /our premises is required to be supplied at notified voltage or below and it does not include installations of mines, oil fields and railways. I/we confirm that I/we have submitted the report of self-certification in respect of the electrical installation, installed at my/our premises to the Electrical Inspector in the formats, as framed and the same has duly been received by the Office of the Electrical Inspector. I/We, shall submit such receipted copy of the report of self-certification in respect of the electrical installation, installed at my/our premises, immediately on demand."

They have placed the following reasons in support of their suggestion:

- (a) CEA Safety Regulations, as amended up to date, mandates that an intending consumer or an existing consumer to submit the report of self-certification of Applicant's installation in the prescribed format to the Electrical Inspector, where supply is made at or below notified voltage.

- (b) The recent amendment of 2018 of such Regulation also mandates that such report of self-certification shall be considered fit for commencement or re-commencement of supply, as the case may be, upon duly receipt of the said report of self-certification by the Office of the Electrical Inspector.
- (c) Nowhere in such Regulation there is any stipulation that the Applicant is required to submit such report of self-certification to the Licensee.
- (d) The purpose of such stipulation is not to burden the applicant to upload any document in the on-line system which might be inconvenient to such applicant.
- (e) Though the report of self-certification is not required to be submitted to the Licensee but the Licensee, may as its own discretion, at any appropriate time, call for such report as such stipulation is suggested that applicant, instead of enclosing a receipted copy of report of self-certification shall confirm to submit the same immediately on demand.

Analysis and views of the Commission:

Central Electricity Authority (CEA) vide notification no CEI/1/2/2017 dated 01.03.2018 has notified Central Electricity Authority (*Measures relating to Safety and Electrical Supply*) Amendment Regulations, 2018, which inter-alia requires for submission of self-certificate by the owner to the Electrical Inspector in a specified format. It is also inter-alia mentioned that, the electrical installations so self-certified shall be considered fit for commencement or recommencement of supply only after the report of self-certification duly *received by the office of the Electrical Inspector. Relevant provisions of CEA Amendment Regulations, 2018 are produced below:*

"(e) in regulation 43-

(i) For sub-regulation (1), the following sub-regulation shall be substituted, namely: -

(1) (a) Every electrical installation of notified voltage and below shall be inspected, tested and self-certified by the owner or supplier or consumer, as the case may be, of the installation before commencement of supply or recommencement after shutdown for six months and above for ensuring observance of safety measures specified under these regulations and such owner or supplier or consumer, as the case may be, shall submit the report

of self-certification to the Electrical Inspector in the formats as framed and issued by the Authority:

Provided that the electrical installation so self-certified shall be considered fit for the commencement of supply or recommencement after shutdown for six months only after the report of self-certification is duly received by the office of the Electrical Inspector.

Provided further that the owner or supplier or consumer, as the case may be, has the option to get his installation inspected and tested by the Electrical Inspector of the Appropriate Government.

(b) Notwithstanding anything contained in clause (a), every electrical installation covered under section 54 of the Act including every electrical installation of mines, oil fields and railways shall be inspected and tested by the Electrical Inspector of the Appropriate Government as specified in sub-regulation (3)."

As CEA is the authority under sub-section (c) of section 73 of the Electricity Act 2003 to specify the safety regulations, the provisions of CEA regulations are required to be complied with. At the same time the Commission feels that to make the process easy for the end consumers, the office of Electrical Inspector may receive the self-certificate online and the copy of such online acknowledgement shall be considered as document for duly acknowledging the receipt for the purpose of new connection or reconnection. The matter was discussed with the State Government and accordingly Dept. of Power and NES, GoWB under Notification No. 158-PO/O/C-II/4M-02/2018 dated 31.10.2019 inter-alia specified that the Chief Electrical Inspector has posted the on-line self-certification format alongwith provision of system generated acknowledgement for compliance of the provisions of CEA Regulations by the consumers in [https://cei.wbpower_lt.gov.in](https://cei.wbpower.lt.gov.in) and the online system shall be functional on and from 15th November, 2019. Accordingly, the Commission finds it suitable to modify the paragraph 8 of Annexure-B of the proposed amendment. The other suggestions of the Dept. of Power & NES, GoWB is also agreed to. The extracts from Government of West Bengal Notification no 158-PO/O/C-II/4M-02/2018 dated 31.10.2019 is produced below for ready reference:

"Whereas, the WBERC advised that the State Government initiate steps so that the Chief Electrical Inspector develops a system to receive on-line self-certification of Electrical Installation at or below notified voltages and provide auto generated acknowledgement to the applicants on submission of such on-line self-certification.

Whereas, the Chief Electrical Inspector has posted the on-line self-certification format in [https://cei.wbpower_lt.gov.in](https://cei.wbpower.lt.gov.in) alongwith provision of system generated acknowledgement for compliance of the above provisions of CEA Regulations by the consumers.

Now, therefore, it is notified that the on-line system as available in https://cei.wbpower_lt.gov.in shall be functional on and from 15 Nov, 2019."

C) Suggestion / objections / comments received CESC Limited

CESC Limited made similar suggestion as given by the Department of Power & NES, GoWB. In their remark CESC mentioned that, 'considering the need of improving the ease of doing business and convenience of consumers, instead of enclosing the copy of self-certificate duly received by the office of Electrical Inspector, the licensee may kindly be allowed to accept declaration by the applicant as a valid proof of submission of self-certification report at the office of Electrical Inspector. However, the licensee shall have the right to ask for documentation at a later stage from the applicant to verify the bona fide of the self-declaration.'

Analysis and views of the Commission:

Commission's views in this regard has already been discussed above.

D) In line with the above analysis, it is proposed to modify the paragraph 8 of Annexure-B as below to incorporate it in the Third Amendment of SOP regulations:

- "8. I/ We declare that electrical installation installed at my /our premises is required to be supplied at notified voltage or below and it does not include installations of mines, oil fields and railways. I/We confirm that I/we have submitted the report of self-certification in respect of the electrical installation, installed at my/our

premises to the Electrical Inspector in the formats, as framed and the same has duly been received by the Office of the Electrical Inspector. I/We, also enclose the receipted copy / copy of system generated acknowledgment of the self-certification in respect of the electrical installation, installed at my/our premises.

Or

I/We also enclose a certificate issued by the office of Electrical Inspector in respect of electrical installations installed at my / our premises."

4. Impact of 3rd Amendment of SOP Regulations 2019

The Commission observe that with implementation of online system of application for new connection, alteration of service the overall time requirement would be saved. Further this will reduce the workload and manpower requirement by distribution licensee to a considerable amount. All application and processing including quotation, receipt by online mode without physical touch point as proposed in BRAP recommendation along with online tracing system will increase transparency and accountability in the sector. Thus, it will be beneficial for both licensee, consumer and State as a large. There are challenges for generating online quotation based on KW/KVA demand in view of ROW issues and geographical / locational surprises. The Commission has allowed a truing up period of six months by adjustment from the electricity bills of the consumers.

Sd/-

(PULAK KUMAR TEWARI)
MEMBER

Sd/-

(DURGADAS GOSWAMI)
MEMBER

Sd/-

(SUTIRTHA BHATTACHARYA)
CHAIRPERSON

Dated: 19-11-19