

Draft Assam Electricity Regulatory Commission (Standards of Performance of Distribution Licensees) Regulations, 2021.

EXPLANATORY MEMORANDUM

The Assam Electricity Regulatory Commission (Distribution Licensees' Standards of Performance) Regulations, 2004 (hereinafter referred to as AERC Distribution SOP Regulations), was notified way back on 4th February, 2005. These Regulations are applicable to the Distribution Licensees authorized to establish, operate and maintain a distribution system under a License in the State of Assam. Basically, these Regulations consists of Guaranteed and Overall Standards of Performance (SOP) of distribution licensee which are elaborated in two separate schedules. There is also provision for payment of compensation by the licensee in the Regulations in case, the licensee fails to comply with the standards specified therein.

The Ministry of Power, Government of India vide notification no. G.S.R. 818(E) dated 31st December, 2020 notified the Electricity (Rights of Consumers) Rules, 2020. These Rules also specify some standards of performance and non-compliance of these Standards would require payment of compensation by the distribution licensee. Moreover, the Rules, 2020 state that a consumer should be automatically compensated, for non-compliance to the specified standards for those parameters, which can be monitored remotely and when it can be successfully established that there is a default in performance of the distribution licensee.

Since the AERC Distribution SOP Regulations 2004, were notified way back in 2005; hence, the standards as well as the quantum of compensation needs to be modified, Further, some new standards are required to be specified as laid down by the Electricity (Rights of Consumers) Rules, 2020.

NOW, THEREFORE, in exercise of powers conferred under Section 181 (za) and (zb), read with Sections 57, 58, 59 and 86 (1) (i) of the Electricity Act, 2003 and all other powers enabling in this behalf, the Assam Electricity Regulatory Commission hereby makes the following draft Assam Electricity Regulatory Commission (Standards of Performance of Distribution Licensees) Regulations, 2021 regulations in line with Electricity (Rights of Consumers) Rules, 2020 to replace the AERC (Distribution Licensees' Standards of Performance) Regulations, 2004.

Some salient features of these aforesaid draft Regulations, 2021 are briefly highlighted hereunder:

- i) In Regulation 3, it is proposed that the licensees shall endeavour to provide all services through a common Customer Relation Manager (CRM) System to get a unified view of all the services requested, attended and pending, for better monitoring and analytics.

- ii) Regulation 4 enumerates the steps that must be taken by the distribution licensee for creating proper awareness among consumers and licensee staff.
- iii) The Reliability Indices are specified under Regulation 5 of these Regulations, for calculating the reliability of the distribution system on the basis of number and duration of sustained interruptions in a reporting period.
- iv) The details of the procedure for payment of compensation, in case where Standards specified are not conformed to by the licensee is specified in Regulation 6. This Regulation also makes provision when the Distribution Licensee fails to pay the compensation or if the affected person is aggrieved by non-redressal of his grievances.
- v) Regulations 7 specifies the exemptions when the Distribution Licensee is prevented from meeting his obligations due to force majeure and reasons beyond the control of the licensee.
- vi) The Regulations also provide that the Distribution Licensee shall provide all services such as application submission, payment of bills etc. to senior citizens at their door-steps. Besides, the Distribution Licensee is required to submit information to the Commission on the compliance of the standards on quarterly and annual basis.
- vii) The Standards of Performance and compensation payable are specified in Annexure -1 of these Regulations. Formats for submission of Reports by the distribution licensee are also included in the Regulations.
- viii) Provisions for automatic compensation has been made in these Regulations.
- ix) The provisions for new connections are applicable only for residences and settlements which are constructed/established in accordance with the prevailing laws of the land. The distribution licensee is not obliged to supply power to illegally constructed residences/ settlements.
- x) Any claim arising on account of power failure shall not be admissible for those consumers who have outstanding dues upto preceding billing cycle, or have been, during last two years, either convicted for theft of electricity or finally assessed for Unauthorised Use of Electricity.