

**Before**

**UTTARAKHAND ELECTRICITY REGULATORY COMMISSION**

**Misc. Appl. No. 70 of 2015**

**In the matter of:**

Application seeking removal of difficulties/clarification in the UERC (Release of new HT & EHT Connections, Enhancement and Reduction of Loads) Regulations, 2008.

**And**

**In the matter of:**

Uttarakhand Power Corporation Ltd. (UPCL)

...Petitioner

**Coram**

<b>Shri Subhash Kumar</b>	<b>Chairman</b>
<b>Shri C.S. Sharma</b>	<b>Member</b>
<b>Shri K.P. Singh</b>	<b>Member</b>

**Date of Hearing: December 8, 2015**

**Date of Order: January 6, 2016**

**ORDER**

This Order relates to the Petition filed by Uttarakhand Power Corporation Limited (hereinafter referred to as "UPCL" or "the Petitioner") for seeking removal of difficulty/clarification in the UERC (Release of new HT & EHT Connections, Enhancement and Reduction of Loads) Regulations, 2008 (hereinafter referred to as "HT & EHT Regulations").

- UPCL vide letter No. 4792/UPCL/Comm/RMC-34/D(F) dated 30.10.2015 had filed an Application under Regulation 11 (2) of UERC (Release of new HT & EHT Connections, Enhancement and Reduction of Loads) Regulations, 2008 which stipulates that:-

*"(2) Powers to Remove Difficulties*

*If any difficulty arises in giving effect to these Regulations, the Commission may, of*

*its own motion or otherwise, by an order and after giving reasonable opportunities to those likely to be affected by such order make such provisions, not in consistent with the provisions of the Act as may appear to be necessary for removing the difficulty."*

3. The Petitioner in its Petition has submitted that Regulation 4(9) of the HT & EHT Regulations prohibits UPCL to reject any application for new connection on the ground of "Technically not feasible". That, in process of looking for feasibility for release of connection, the Petitioner releases the connection from existing system wherever possible otherwise by construction of new line, but there are certain contingencies under which it is not possible for it to release a new connection by laying new lines due to constraints like right of way, congestion etc. and in such situation the only option left with it is to release the same by augmenting the existing network.
4. Further, the Petitioner submitted that the HT & EHT Regulations do not explicitly provide for the cases where the release of connection is feasible only by augmenting the existing system and that from analogy and deduction it is quite clear that provisions as applicable for laying down the new line will be applicable in such situation because Regulations provide for payment of augmentation charges even for the existing consumer then how could the same not be applied for the new consumer says the Petitioner. Further, the Petitioner added, that Regulation is silent on the matter and nowhere explicitly denies for the payment of augmentation charges in case of release of new connection.
5. In regard to payment of work charges by the consumer, the Petitioner submitted that:

*"it would not be logical to assume by itself that for the release of new connection, one consumer is required to pay the work charges in case of construction of new line and for the same consumer, if the requirement of new line is accommodated by way of augmentation of the existing system the consumer is not required to pay any charges and UPCL will have no claim on the expenses made in augmentation of existing system."*

6. The Petitioner in its Petition has mentioned the case of Sri Manjul Gupta wherein, as per the Petitioner, the contended difficulty arose. As per the Petitioner, Sri

Manjul Gupta had applied for a load of 300 kVA and the feasibility for releasing the said load was by replacing the weasel/Rabbit conductor of the nearby existing 11 kV feeder by Raccoon conductor.

7. Further, the Petitioner through its Petition informed that the amount demanded by it for the said work for releasing the load was deposited by Sri Gupta under protest. Thereafter, Sri Gupta filed a complaint before the Consumer Grievance Redressal Forum (CGRF), Garhwal Zone claiming the amount demanded was arbitrary and not as per Regulations.
8. The Petitioner has further submitted that CGRF decided the matter in favor of Sri Manjul Gupta directing the Petitioner to issue a fresh demand note as per the provisions of HT & EHT Regulations, without inclusion of augmentation charges of HT line, for release of 300 KV new connection to Sri Manjul Gupta. Not complying with the orders of the CGRF, the Petitioner filed a review against the decision of CGRF.
9. Through the said Petition, the Petitioner has sought clarification from the Commission and has requested to hold that it is entitled to raise demand for work charges in case the connection to the consumer is released by augmenting the existing system of the Petitioner.

#### **Commission's Views and Decision**

10. The Commission heard the matter for admissibility on the scheduled date i.e. 08.12.2015 and enquired the distribution licensee whether it is implementing systematic distribution system planning in the State with respect to the expected load growth especially in the urban areas. The licensee, instead of replying the specific query of the Commission simply re-iterated its submission made in the Petition.
11. The Commission observed that in accordance with the provisions in Section 43 of the Electricity Act, 2003, the distribution licensee is duty bound to supply the electricity on request. The said provision is explicit and leaves no room for contended "technically not feasible" connection. Further, with regard to recovery of expenditures in providing any electric line or Plant use for the purpose of giving supply, Section 46 of the Act stipulates that:

***“Power to recover expenditure.-***

*The state Commission may, by Regulation, authorize a distribution licensee to charge from a person requiring a supply of electricity in pursuance of section 43 any expenses reasonably incurred in providing any electric line of electric plan use for the purpose of giving that supply.”*

12. In this regard, the Commission has notified UERC (Release of New HT & EHT Connections, Enhancement and Reduction of Loads) Regulations, 2008, wherein Regulation 4(11) specifies the work charges to be recovered from the applicant of a new connection. The specified work charges are also applicable for enhancement/reduction of contracted load.
13. Further, it is pertinent to mention here that in accordance with the prevailing provisions of the Regulations an applicant of new connection is liable to pay the service line charges only and is not suppose to bear those expenditures which the distribution licensee incurs in developing its distributing mains. For further clarification, the definitions of ‘distributing main’ and ‘service line’ as stipulated at section 2(18) and 2(61) in the Electricity Act, 2003 are as follows:

*“(18) “distributing main” means the portion of any main with which a service line is, or is intended to be, immediately connected;*

*...*

*(61) "service-line" means any electric supply line through which electricity is, or is intended to be, supplied*

*(a) to a single consumer either from a distributing main or immediately from the Distribution Licensee's premises; or*

*(b) from a distributing main to a group of consumers on the same premises or on contiguous premises supplied from the same point of the distributing main;”*

14. The above definitions clearly establish a clear-cut demarcation between the ‘distributing main’ and ‘service line’. Therefore, the prospective consumers should be charged only for the expenditures linked to the service line in accordance with the relevant Regulations as notified by the Commission.
15. The aforesaid Regulation has been framed after giving due considerations to all aspects including the charges to be recovered directly from the applicant of a new connection or to be claimed through other available recovery mechanism.

16. The Commission is of the view that since in the existing Regulations, there is no provision of recovery of charges for augmentation of the system from the prospective consumer, therefore, the distribution licensee cannot recover these charges from the prospective consumer.
17. Further, the Commission is also of the view that with the augmentation of the system, the applicant of new connection would not be the only beneficiary rather all the consumers connected to the feeder(s) would be benefited by strengthening of line(s)/system. The Commission is of the view that the distribution licensee should comply with the provisions given in Section 42 of the Electricity Act, 2003 by developing and maintaining an efficient and economic distribution system based on projected growth and with some built-in redundancy.
18. As far as the submission of distribution licensee with regard to the reference of the case of Sh. Manjul Gupta, the Commission is of the view that CGRF ruling is consistent with the provisions of Regulations and is not liable to be interfered with. However, timely compliance of the Forum's Order has to be ensured by the licensee in accordance with relevant provisions in the Regulations.
19. The Commission finds that no case is made out warranting its exercise of special powers of removal of difficulty. The provisions given in the Regulations are specific and clear and have been correctly interpreted by CGRF.
20. Now, therefore, as the Commission has not found any ambiguity, inconsistency or difficulty in giving effect to the Regulations laid down in UERC (Release of New HT & EHT Connections, Enhancement and Reduction of Loads) Regulations, 2008, the Commission decides to reject the Petition as not maintainable.

Ordered accordingly.

**(K.P. Singh)**  
Member

**(C.S. Sharma)**  
Member

**(Subhash Kumar)**  
Chairman