

MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION, BHOPAL

Sub: In the matter of filing of the Petition seeking Amendment in Clause 7.17 of MP Electricity Supply Code 2013 (Petition No. 22/2019).

ORDER

Date of Motion hearing: **11.06.2019**

Date of order: **29.10.2019**

M.P. Power Management Co. Ltd., Jabalpur
M.P. Madhya Kshetra V.V. Co. Ltd., Bhopal (Central Discom)
M.P. PoorvKshetra V.V. Co. Ltd., Jabalpur (East Discom)
M.P. Paschim Kshetra V.V. Co. Ltd., Indore (West Discom) } Petitioners

Shri V.D. Joglekar, GM (RM) appeared on behalf of MPPMCL. Shri G.R Patele, GM (Commercial) appeared on behalf of Central Discom. Shri Shailendra Jain, Dy. Director appeared on behalf of West Discom. Shri Deepak Chandela, DGM appeared on behalf of East Discom.

2. The petitioners have filed the subject petition for seeking amendment in clause 7.17 of the Electricity Supply Code 2013 by inserting a proviso to exempt requirement of mandatory written agreement for LT domestic and single phase non-domestic consumer including amendment in title of Annexure 3 of Supply Code to be read as “Standard Agreement Form for Supply of Electrical Energy to Low Tension Consumer (excluding LT Domestic & Single Phase Non-Domestic consumer)”.
3. During the hearing, the petitioners have made submission through referring the provisions of Section 43 (Duty to supply on request), Section 49 (Agreement with respect to supply or purchase of electricity), Section 50 (The Electricity Supply Code) and Section 55 (Use, etc, of Meters) of the Electricity Act 2003 that there is no requirement for entering into an agreement in respect of LT domestic and single phase non-domestic consumers for getting supply of electricity and application in prescribed format with necessary changes is sufficient to get a supply of electricity. The petitioners have further stated that in addition to the Electricity Act 2003, the Electricity Supply Code 2013 specified by the Commission is itself a self-contained code governing every aspects of supply and has clearly defined rights & obligation of a consumer & distribution licensee. Thus, the execution of agreement for such consumers do not serve any fruitful purpose as terms & condition of supply & tariff are statutory in nature and they are binding to both the parties irrespective of agreement.
4. The Commission on perusal of submission made by the petitioners has observed the following:

- i. Clause 7.18 of Electricity Supply Code provides that for domestic & single phase non domestic consumer, there shall be no initial period of agreement while as per clause 7.28 of Code, such consumers may terminate the agreement after giving a 15 days' notice. The Commission observed that such dispensations do not undermine the need for exempt requirement of mandatory written agreement for LT domestic and single phase non-domestic consumer in view of the fact that other provisions of Supply Code which are also referred into Standard Agreement Form (Annexure 3) of Code, specifies i) quantum of supply, ii) type of supply, iii) Security deposit, iv) metering, v) disconnection, vi) charges to be paid by the consumer as per tariff, schedule of miscellaneous charges, Electricity Duty, Cess etc. assume significance against which consumers' undertaking is required to be obtained by the petitioners so as to ensure that consumer has understood the provisions of the Code and is legally obligated to adhere the provisions of the Electricity Supply Code 2013.
- ii. Further, in support of the prayer made in the petition, the petitioners cited two decisions of the Hon'ble Supreme Court regarding the contracts/agreements. They have also cited the decisions of the Delhi Electricity Regulatory Commission exempting the consumers from executing the agreement before taking the electricity connection which is reproduced below:-

“The application form along with any special clauses added with mutual consent shall be treated as an agreement between the consumer and the Licensee

Provided that such clause(s) shall not contravene the provisions of the Electricity Act, 2003 and other Rules and Regulations in force”.

In the petition, in case of LT domestic and LT single phase non-domestic consumers it is suggested that instead of an agreement the following self declaration may be taken from the applicant in the application form itself at the time of applying for the connection: -

“Self-Declaration”

“I/We hereby declare that

I/We will abide by the provisions of Electricity Act, 2003, other applicable laws and Madhya Pradesh Electricity Supply Code, 2013 as amended from time to time. I/We will further abide by Rules, Regulation, Order or Instruction issued by Regulatory Bodies and Distribution Licensee from time to time. I will pay the Electricity Bill as per prevailing MPERC Tariff. If the premises are declared unauthorized then, the Licensee will have liberty to remove the electricity connection immediately.

The above information is true and best of my knowledge, if any false/incorrect information is observed. I/We will responsible for the consequences thereof.”

From the above, it is clear that instead of agreement, petitioners as Distribution Licensee are seeking self declaration from the applicant that he will be abided by the provisions of the Electricity

Act, 2003, other applicable laws and Madhya Pradesh Electricity Supply Code, 2013. As per the self declaration the applicant will also abide by all the Rules, Regulations, Orders and Instructions issued by Regulatory Bodies and Distribution Licensee from time to time. The justification given for above change is that the agreement is only increasing un-necessary paper works causing inconvenience for adoption of digitizing consumer service such as service of new connection, name transfer, reduction/enhancement of load etc. The petitioner have not given any other reason as to why they want to discontinue requirement of agreement for the new connection by these categories of consumers. The petitioner has specifically mentioned that earlier in FY 2017 in the Petition No. 61 of 2017, the subject matter was filed before the Commission but the same was disposed of vide Order dated 22.12.2017 on the ground that the petitioner could not state any cogent reason to exempt a limited category of LT consumers from executing the agreement in terms of the provision of the M.P. Electricity Supply Code, 2013. The Commission observed that in the instant petition also, no cogent reason is given to discontinue the execution of the agreement.

5. In view of above observations, the Commission does not find any merit in the contention of the petitioners and hence the petition is disposed of.

(Mukul Dhariwal)
Member

(Dr. Dev Raj Birdi)
Chairman