

**MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION, BHOPAL**

**Sub :- In the matter of violation of the provisions of the Electricity Act, 2003, Regulations and Tariff Order issued by the Commission.**

**ORDER**

**(Date of hearing 28.12.2010)**

**Date of order 10.01.2011**

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|--|-----------------|
| 1. M.P. Madhya Kshetra Vidyut Vitaran Co. Ltd., Bhopal   | Respondent No.1 |
| 2. M.P. Paschim Kshetra Vidyut Vitaran Co. Ltd., Indore  | Respondent No.2 |
| 3. M.P. Poorva Kshetra Vidyut Vitaran Co. Ltd., Jabalpur | Respondent No.3 |

Shri Virendra Gupta, Additional CE, Shri M.S. Atre, SE and Shri Zahid Khan EE(O&M) Bhopal appeared on behalf of Respondent no. 1 (Central Discom) . Shri S.K. Sinha, Addl. SE and Shri Anant Chaure, Law officer appeared on behalf of Respondent no. 2 (West Discom). Shri S.K. Baghel, E.E. (Comm) appeared on behalf of Respondent no. 3 (East Discom).

2. It had come to the notice of the Commission that there had been excessive and improper billing to many consumers in the area of Danish Kunj Zone of Bhopal City in the month of July, 2010. The Commission had summoned the Junior Engineer, In-charge of Danish Kunj Zone, MPMKVVCL, Bhopal and had got examined meter reading diaries on sample basis. It was observed that in a number of cases, excessive and improper billing had been done.

3. Taking cognizance of such improper billing and to ascertain the reasons and the extent of the problem, the Commission registered this Suo-Motu Petition. The Commission directed the Distribution Companies to respond on the various issues raised in the notice issued vide notice No. 2190 dated 18.08.2010 with regard to excessive and improper billing. The Commission also directed to submit details on the systems of meter reading such as departmentally or outsourced, periodicity, controls exercised by Officers at different levels, remedies proposed for correcting faulty bills and actions proposed for expeditious relief to the affected consumers.

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4. The Commission held the hearing in the matter of 20.08.2010, 14.09.2010 and 26.10.2010. During the course of the aforementioned hearings, the Commission observed that there had been a number of cases of excess billing by the Distribution Companies without exercising the proper checks and balances in the metering, meter reading and billing systems. The Commission directed the Companies to file their detailed reply on affidavit in this regard. The Commission had also directed that the Distribution Companies of the State should submit the specific system which are in place at various circles/regions for cross checking of meter readings, checking of meter reading books to ensure that readings take correctly and timely and checking of billing and also directed the Distribution Companies to reconfirm the factual position on affidavit with regard to billing on assessed consumption basis only in case where the meter is found stopped/defective or the meter is not recording actual consumption. During the course of the hearings the Distribution Companies had submitted the write up comprising the system in force at present for proper metering, meter reading and billing. The Commission after hearing from all the Distribution Companies, vide its Order-sheet of 10.11.2010 directed to submit a viable comprehensive plan for over all improvement of system of meter working, meter reading, billing and recovery.

5. During the course of the hearing held on 28.12.2010, the Distribution Companies furnished on affidavit their initiatives and proposals alongwith the comprehensive plan for metering, meter reading, billing and recovery. The submissions of the Distribution Companies comprise their plan for replacement of stopped/defective meter, meterisation of un metered domestic consumers, steps taken for strengthening the meter reading systems through AMR/MRI of industrial consumers and cross checking of meter reading, checking of meter reading books and billing by the officers of the Company. The Companies have also submitted their plan for ensuring timely issuance of correct bills by installing the revenue management system and putting extra efforts for recovery of the dues. The Companies had also indicated their efforts for appointment of distribution franchisees so as to bring in the improvement in the operation efficiency of the Company.

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6. The Commission had gone through the submission of Distribution Companies. It has been emphasized by the Commission that in order to bring in the operational efficiency in the revenue management system of the Companies, although the Companies have started taking initiatives, but still a lot has to be achieved. The Commission does not agree with the submission of the Discom with regard to metering plan envisaging 100% meterisation beyond 2013. It has also been observed that number of un-metered consumers in rural area is on the increase. Effective steps have to be taken by the Companies to reverse this trend and progressively reduce the ratio of un-metered to metered consumers. The Discoms should aim at completing the meterisation of all un-metered domestic consumers and for providing DTR meters on all agricultural feeders before end of the FY 2012-2013. The Companies should realize that without an efficient and proper revenue management system in place the commercial losses can not be brought down to minimum level and simultaneously the agony of the consumers also can not be addressed. With the views expressed above, the Commission decided to close the petition.

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

**(K.K. Garg)**  
**Member (Engineering)**

**(Rakesh Sahni)**  
**Chairman**

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The Commission held the hearing in the subject matter petition on 28.12.2010. The draft of the Order of the Commission is placed on the file for kind perusal and approval please.

**Joint Director (RE)**

**Director (RE)**