

**Before the J&K State Electricity Regulatory Commission
Jammu**

Suo-moto Petition No. JKSERC/37/SM of 2013

In the matter of:

Implementation of the provisions of Section 49 of the Jammu & Kashmir Electricity Act, 2010 regarding consumer metering in the J&K State read with directions given by the commission from time to time and matters related thereto.

And

In the matter of:

1. Principal Secretary, Power Development Department, J&K Govt. Jammu.
2. Development Commissioner (Power), PDD, Jammu.
3. Chief Engineer, Electric Maintenance & RE Wing, Jammu.
4. Chief Engineer, Electric Maintenance & RE Wing, Srinagar.

(Respondents)

Present: Hon'ble Sh. Basharat Ahmad Dhar, Chairperson.

Present on behalf of Petitioners:

S/Sh.

1. Asgar Ali Majaz, Development Commissioner (Power) J&K.
2. Shahnaz Goni, Chief Engineer, EM & RE Wing, Jammu.
3. Bashir Ahmad Khan, Chief Engineer, EM&RE Wing, Kashmir.
4. Khurshid Ahmad Badoo, Chief Engineer, Commercial & Survey Wing, Kashmir.

5. Ravi Chanyal, Chief Engineer, Planning & Designs J&K.
6. Azhar Vakil, AEE, DCP Office.

ORDER

(Passed on this 13th Day March, 2015)

1. As per the provisions of Section 49 of the J&K Electricity Act, 2010 no licensee shall supply electricity after the expiry of two years from the commencement of the Act, except through installation of a correct meter in accordance with regulations to be made in this behalf by the Commission.
2. As per the provisions of the Act, the J&K Power Development Department (JKPDD) had to complete 100% correct metering at all levels before the expiry of the deadline i.e. 28.04.2012.
3. J&KPDD moved a Petition before the Commission on 25.04.2012 for extension of the dead line for 100% correct metering stating that it could not complete the metering because of:
 - i) Lack of cooperation from general public at large.
 - ii) Stock availability and capacity limitations of meter testing labs.
 - iii) Geographical limitations.J&KPDD in the Petition had also submitted a revised 100% metering plan as per which J&KPDD committed to complete 100% correct metering by 30th June 2013.
4. The Commission vide Notification No: JKSERC/18 of 2012 Dated: 26.04.2012 extended the deadline for 100% correct metering upto 30.06

2013 and immediately there upon directed the Development Commissioner (Power), Power Development Department vide No: JKSERC/19/94 Dated: 03.05.2012 to submit a detailed plan for achieving 100% consumer metering including status of category-wise metering at that point of time and status of procurement of energy meters on the specified formats. There was no response to the communication from the utility. The Commission from time to time issued various directions to the Utility to come up with a comprehensive metering plan duly approved by the Govt. before expiry of the deadline of 30th June 2013 and also directed the Utility that the delay in submission of the metering plan would invite penal action against the Utility under the provisions of the Act and the relevant Regulations.

5. The Utility failed to comply with the direction of the commission and as such the commission initiated Suo-moto proceeding vide Petition No. JKSERC/37/SM of 2013 in September, 2013, to seek compliance of the respondents to the directives of the Commission in the matter within a period of eight weeks from the issue of the Order i.e by the end of October 2013. The case was listed for hearing on 20.11.2013 at Jammu.
6. On the date of hearing i.e. on 20th November, 2013 the Utility furnished a metering plan for approval of the Commission and sought extension in the time lines for 100% correct metering till end of the FY 2015-16. The Commission, on examination of the metering plan noted that:

- i) The metering plan did not bear the approval of the Government.
- ii) It was incomplete in respect of financing plan, procurement plan and monitoring plan.
- iii) It was proposed to install 4.14 Lac consumer meters of various ratings in the remaining 4 months of the FY 2013-14 despite the fact that the process of procurement of the energy meters was yet to be finalized by the Utility.

The Utility was informed about the shortcomings and directed to come up with the revised proposal as per the specified format. The Utility could not submit in time the metering plan duly approved by the government and instead made a mockery of it by submitting six different plans on six different dates with entirely different set of figures.

Abstract of the metering plans submitted before the Commission from time to time by the Utility for completion of 100% metering by the end of FY 2015-16 is given in following table:-

S.No.	Time of Submission	Consumer Metering Proposed (No's)			
		FY 2013-14	FY 2014-15	FY 2015-16	Total
1	25.04.2012 (Request for extension in deadlines for 100% metering prescribed in Section 49 (1) of Act)	3,15,570 (Ending March, 2013)	-	-	7,85,961
		4,70,391 (Ending June, 2013)			

2	30.11.2012 (In MYT Petition 2013-14)	2,30,274	3,74,859	5,58,723	11,63,856
3	20.11.2013 (In response to Commission's Order in Suo-moto proceedings)	4,13,572	2,95,866	3,87,935	10,97,373
4	17.02.2014 (In response (In response to Commission's Order in Suo-moto proceedings)	2,56,209	5,07,380	3,39,877	11,03,466
5	17.02.2014 (PDD, APR & Tariff Petition)	1,10,089	3,58,270	6,10,766	10,79,125
6	25.02.2014 (In response to Commission's Order in Suo-moto proceedings)	1,09,789	3,26,962	7,69,643	12,06,394

The Utility finally submitted the metering plan on 18.04.2014 which came up for discussion before the Hon'ble Commission on 21st. April 2014.

The salient features of the metering plan submitted by the Utility were as follows:-

I. Consumer data and metering status

S.No		Nos'
A.	Total No of installations ending 3/2013	14,90,696
B.	No of Installation with correct electronic meters	6,45,617
C.	No of Installation with E/M meters to be replaced	1,12,901
D.	Number of the Un-metered installation A-(B+C)	7,32,178
E.	Additional number of installation expected	3,61,418

F.	Total number of meters required for 100 % consumer metering F=C+D+E	12,06,497 (12.05 lac Nos)
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II. SYSTEM METERING

1. HT/EHT METERING

S.No		Nos'
A.	Total number of HT/EHT Installation	2162
B.	Number of installations with correct electronic meters	582
C.	Number of installation with E/M meters to be replaced	1084
D.	Number of installations without meters	496
E.	Total requirement of meters (C+D)	1580

2. DT METERING (R-APDRP areas only)

S.No		Nos
A.	Total DTs	9710
B.	DTs with correct electronic meters	175
C.	Unmetered DTs	9535
D.	Total requirement of DT meters	9535

III. Timelines for 100% metering.

S.No.	Connection Type	Approved by Commission vide notification No. JKSERC/18 of 2012 Dated: 26.04.2012	Proposed Now
A	All HT Connections	30 th June 2012	31 st Oct, 2014
B	All EHT Connections	30 th June 2012	31 st Oct. 2014
c	All Govt. Connections, Kashmir Region	31 st July, 2012	30 th June, 2014
d	All Govt. Connections, Jammu Region.	31 st July, 2012	30 th June, 2014

e	LT Connections, R-APDRP Areas	31 st August, 2012	31 st Dec. 2015
f	LT Connections (Except Domestic), Non R-APDRP Areas	31 st January, 2013	31 st March. 2016
g	LT Connections (Domestic), Non R-APDRP Areas	30 th June 2013	31 st Mar. 2016
h	DT Metering, R-APDRP Areas	31 st July, 2012	31 st Dec. 2014
i	All HT & EHT Feeders	30 th November, 2012	31 st Dec. 2014

IV. Year wise proposals for Consumer metering installation.

FY	No. of consumer meter proposed to be installed
2013-14	1,12,965
2014-15	4,80,932
2015-16	6,12,600
Total	12,06,497

The Utility had also made available category -wise details of the consumer data and metering status as well as the category-wise/ quarter-wise details of the target of the consumer metering/ system metering, which information had been taken on record. In Phase-I, DT metering was proposed to be completed in R-APDRP areas.

The respondents confirmed the number of meters shown against the FY 2013-14 had already been installed during the previous year.

The Number of meters proposed for installation during FY 2014-15 & 2015-16 included replacement of existing 1,12,901 electro-mechanical meters.

The Commission, therefore, directed that no further delay in achieving 100% current consumers metering would be allowed beyond March, 2016.

Besides above, the following directions had also been issued to the respondents:-

1. "As the respondents had stated that the metering plan has been complied on the basis of information received from each EM&RE Circle/Division/Sub-division, the details available with the Utility shall be submitted to the Commission.
2. The Utility/Distribution Licensee shall establish and develop authentic third party meter testing mechanism in the State as is required in terms of Section 44 of the Act read with chapter A5 of the Jammu and Kashmir State Electricity Supply Code, 2011 and report compliance to the Commission.
3. A comprehensive mechanism shall be evolved by the respondents for closely monitoring the implementation of proposed metering plan at various levels particularly at the level of Administrative Department. The province-wise/Circle-wise/Division-wise progress report in the light of the revised action plan submitted by the Utility shall be submitted to the Commission on a quarterly basis for review.
4. As there has been serious deviation from the mandate given by the State Legislature under Section 49(1) of the Act 2010 for completion of metering within a period of 2 years from the date of notification of the J&K Electricity Act, 2010, the respondents need to place the facts before the State Legislature

for ratification of the extended dead line for achieving 100% metering in the State.”

The Utility while submitting status report/progress report ending 1st quarter of FY 2014-15 vide No.:DC/PD/TO-I/217/886-92 dated 01.09.2014 did not submit any action taken report on the said directives which compelled the Commission on 25.11.2014 to direct personal appearance of Development Commissioner (Power) to explain as to why action under Section 102 of the J&K Electricity Act, 2010 be not initiated against the Utility. The Commission also directed the respondents to file the status report ending November, 2014 within a period of four weeks.

The case was listed for hearing on 07.01.2015. The Utility sought the case to be adjourned twice and it finally came up for hearing before the Commission today.

In compliance of the directions issued on 25.11.2014, the Development Commissioner (Power) vide his letter No.: DC/PD/TO-I/42/1831-32 dated 03.03.2015 submitted the metering plan which was reviewed by the Commission.

From the progress reports submitted by the DC(P), it becomes more than obvious that not to speak of achieving stipulated targets as committed by the Utility, no meaningful efforts seem to have been made towards achieving the target of installation of 4.81 lac meters fixed for FY 2014-15.

The Department has not taken any serious steps for furtherance of even the action plan for procurement of meters. It seems that the utility is insensitive and has opted to remain ignorant of the Power Sector Reforms happening in other States of the Country. The department is playing jugglery with the figures and has not come up with any concrete action plans for building a strong edifice for Power reforms. Unfortunately due to lackadaisical attitude of the Power Development Department in achieving 100% system and consumer metering as required under the Act, the State is having highest AT&C losses in the country and to reduce these losses 100% metering in the State is a fundamental requirement.

Comparison of the status of consumer metering submitted by the respondents on 01.09.2014 and 03.03.2015 also reveals as under:-

Particulars	FY 2014-15				
	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total
Submitted vide No.:DC/PD/TO-I/217/886-92 dated 01.09.2014	8,061 (progress)	53,139	1,73,525	1,98,125	4,32,850
Submitted vide No.:DC/PD/TO-I/42/1831-32 dated 03.03.2015	16172 (progress)	5,127 (progress)	5,215 (progress)	3,06,361	3,32,875

Particulars	FY 2015-16				
	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total
Submitted vide No.:DC/PD/TO-I/217/886-92 dated 01.09.2014	1,46,000	1,64,371	1,65,857	1,38,603	6,14,831
Submitted vide No.:DC/PD/TO-I/42/1831-32 dated 03.03.2015	1,69,975	2,00,876	2,03,578	1,66,203	7,40,632

The Utility, as is clear from the above tabulation, has again played with the figures. Whereas 8061 meters were reported to have been installed during the 1st quarter of the current financial year earlier, the figures now shown are 16,172. Also the number of meters reported as installed during 2nd quarter of the current year are 5,127 against earlier figure of 53,139 number meters, envisaged to be installed. During 3rd quarter of the year also only 5,215 meters have been installed against 1,73,525 meters envisaged to be installed.

The height of non-seriousness on part of the Utility, which during the 2nd & 3rd quarters of the year have just been able to install around 5,000 meters per quarter are envisaging installation of 3,06,361 meters in the last quarter of the financial year. On being asked about the procurement status of the energy meters, the Utility officers reported that the purchase case for procurement of around 1,00,000 (one lac) energy meters has been recently decided but the minutes of the purchase committee meeting are yet to be issued. This indicates that there has been no progress during the 4th quarter of the year as well. It seems no serious efforts are being made by the Utility even towards procurement of meters for achieving 100% consumer and system metering as required under the Provisions of the Act, inspite of various directions of the Commission from time to time.

The J&KPDD is one of the highest loss making Utility in the country. As system and consumer metering holds key to the implementation of Power sector reforms in the State, the Commission would like to know the stand of the Power Development Department, Govt. of J&K, on the serious issue of achieving 100% correct metering at all levels as required under Section 49 of the J&K Electricity Act, 2010. The Commission, therefore, directs that the response on the following directions be filed before the next date of hearing:-

- i) Respondent No. 1 shall file a report indicating the stand of the government on achieving 100% correct metering at all levels, as specified in Section 49 of the J&K Electricity Act, 2010. The report shall also indicate the action plan/milestones for achieving 100% correct metering in the State.
- ii) As there has been a serious deviation from the mandate given by the State Legislature under Section 49 (1) of the Act, 2010, for completion of metering within a period of two years from the date of notification of the J&K Electricity Act, 2010, the Respondent No. 1 needs to place the facts before the State Legislature for ratification of the extended dead line for achieving 100% metering in the State, as already directed by the Commission in earlier orders issued in the matter.

- iii) Respondents No. 2, 3 & 4 are directed to submit detailed progress/status report ending March, 2015, in respect of consumer metering, system metering and procurement status and quarter wise Action Plan for FY 2015-16, complete with procurement plans for achieving 100% metering at all levels by end of March, 2016.

The case is listed for hearing on 22.04.2015 at Jammu.

Announced
March, 13, 2015


Sd/-
(Basharat Ahmad Dhar)
Chairperson

No. JKSERC/Secy/42/2013/1983-86

Dated:24.03.2015

Copy to the:-

1. Principal Secretary, Power Development Department, J&K Govt. Jammu.
2. Development Commissioner (Power), PDD, Jammu.
3. Chief Engineer, Electric Maintenance & RE Wing, Jammu.
4. Chief Engineer, Electric Maintenance & RE Wing, Srinagar.


(Abdul Hamid) KAS
Secretary,
J&K State Electricity Regulatory Commission,
Jammu.

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