ARUNACHAL PRADESH STATE ELECTRICITY REGULATORY COMMISSION ITANAGAR, ARUNACHAL PRADESH

Petition No. MP 04 OF 2024

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Shri R. K. Joshi, Chairperson Shri Nich Rika, Member (Law)

Date of order: 26.7.2024

In the matter of:

Application praying for approval of new service connection charges in electrified areas up to a load of 150 KW in compliance of Regulation 3.6.4(10) of Arunachal Pradesh State Electricity Regulatory Commission (Electricity Supply Code) Regulations, 2024.

And in the matter of:

Department of Power, Itanagar, Arunachal Pradesh

.....Petitioner

Parties present

Shri Duyu Tocho, DoP, AP Shri Zomba Nasho, DoP, AP Shri Rajesh Sharma, DoP, AP Shri R. Mohan, ACC&I Shri R. Tami, Advocate, ACC&I

ORDER

The instant petition is filed by Department of Power, Itanagar, Arunachal Pradesh for approval of new service connection charges in electrified areas up to a load of 150 KW in compliance of Regulation 3.6.4(10) of Arunachal Pradesh State Electricity Regulatory Commission (Electricity Supply Code) Regulations, 2024 (hereinafter referred to as the "2024 Supply Code").

2. The Petitioner has submitted that the as per Regulation 3.6.4 (10) of the 2024 Supply Code, the Petitioner is required to file a petition in accordance to the

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Arunachal Pradesh State Electricity Regulatory Commission (Conduct of Business) Regulations, 2011 (hereinafter referred to as the "2011 Regulations") for determination of New Service Connection charges per KW upto 150 KW in electrified areas.

- 3. The Petitioner has submitted that as per the directives on "Ease of Living" in the third National Conference of Chief Secretaries, a licensee is required to simplify the new connection charges for load upto 150 KW in the electrified areas. The Petitioner has further submitted that pursuant to the above directives and the 2024 Supply Code, calculations/analysis has been made for all the categories of consumers at LT-1 phase and LT-3 phase and HT (11 KV) and the connection charges (New Connection) per KW upto 150 KW has been worked out. The Petitioner has also submitted (a) calculation sheet and analysis, (b) copy of the Department's Schedule of Rates (SoR), 2022 and (c) cost of meters under Revamped Distribution Sector Scheme (RDSS) along with the petition.
- 4. The petition was filed by the Petitioner on 20.6.2024 and the Commission, vide letter dated 21.6.2024 directed the Petitioner to issue a Public Notice regarding filing of the petition in the abridged form in two daily newspapers having wide circulation in the areas of supply of electricity inviting objections/suggestions from the general public as required under the 2011 Regulations. The Petitioner, vide letter dated 27.6.2024, has submitted that the Petitioner has published a Public Notice in three newspapers on 22.6.2024 and has also submitted copy of the same. In the said Public Notice, the general public were asked to submit their objections/ suggestions to the Secretary of the Commission on or before 16.7.2024 with a copy

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to the Petitioner. However, no objections/ suggestions were received by the Commission till 16.7.2024.

Proceedings of the public hearing in the matter on 25.7.2024

- 5. The public hearing in the matter was conducted on 25.7.2024. The representatives of the Petitioner were present. Shri R. Mohan, Advisor, Arunachal Chamber of Commerce and Industries (ACC&I) also appeared and made his oral submissions with a permission to submit the same in writing for records.
- 6. Shri Duyu Tacho, the Chief Engineer (Commercial) of the Petitioner explained the methodology adopted by the Petitioner in arriving at the charges claimed by the Petitioner in the petition. The representative of the Petitioner further submitted that a clear definition of "electrified areas" would have helped the Petitioner in arriving at more precise connection charges and requested that "electrified areas" may be clearly defined for future reference. He further submitted that as per the directions of Ministry of Power, for the convenience of the new consumers a "calculator" of the new connection charges will be hosted on the Petitioner's website on approval of the new connection charges by the Commission. In response to another query regarding the logic behind the restriction of 30 meter distance considered by the Petitioner in case of the LT 1 phase & 3 phase consumers, the representative of the Petitioner verbally submitted that this restriction is required to meet voltage regulation criteria. The Commission directed the Petitioner to submit the same on affidavit by 26.7.2024 for records, without fail. However, the petitioner had not submitted the desired information on affidavit. Therefore, we decide the matter on the basis of the information already on records.
- 7. The gist of the submissions made by representative of ACC&I are as follows:

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- (a) The cost data and the labour cost proposed in the petition are to be approved by the Commission. The Commission in past had already directed the Petitioner to frame the cost data and get the approval of the Commission. However, no such approval is given by the Commission in absence of proposal of petitioner.
- (b) Earlier the meters were procured and installed by the Petitioner and rent was charged from the consumers. However, now "prepaid" and "prepaid smart meters" are installed at the cost of consumers which is a burden on the poor consumers. Therefore, the Petitioner may procure and install the meters and charge rent from the consumers as per the earlier practice.
- (c) As per the 2024 Supply Code, no security Deposit should from the consumers on prepaid meters. However, the Petitioner is collecting the Security Deposit from the consumers on prepaid meters. The Petitioner should adjust/return the Security Deposit along with interest.
- 8. In response to the submission of ACC&I regarding the cost, the representative of the Petitioner submitted that the cost claimed by the Petitioner in the instant petition is based on the approved Schedule of Rates of the Petitioner.
- 9. Our observations in respect of ACC&I submissions are follows:
 - (a) As regards cost claimed by the Petitioner, it is observed that the Petitioner is stated to have claimed the same on the basis of the approved Schedule of Rates of the Petitioner. We would deal with the Petitioner's claim of cost of materials and the cost of the meter later in this order.
 - (b) As regards his contention that the Petitioner should install the meter and collect the rent, it is observed that as per the provisions of the 2024 Supply

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Code the new consumers are required to pay the cost of the meter.

Therefore, the Petitioner's proposal of claiming cost of the meter from the new consumers is in order.

(c) On the point of Petitioner collecting Security Deposit from the consumers on prepaid meters, though the 2024 Supply Code does not provide for the same, we are of the view that his contention that the Petitioner should return the Security Deposit collected earlier from such consumers along with interest is beyond the purview of the present petition. However, in the instant petition, the Petitioner has not claimed any Security Deposit in case of prepaid meters for new connections. Therefore, we are not inclined to deal with this contention of ACC&I in this order, as ACC&I can approach appropriate redressal forum of the state as per regulations in-force, in this regards.

Analysis and decision

- 10. We have considered the submissions of the Petitioner. The Petitioner has sought approval of new service connection charges in electrified areas up to a load of 150 KW in compliance of Regulation 3.6.4(10) of the 2024 Supply Code, wherein the Commission directed the Petitioner/ licensee to file a separate petition as per the Arunachal Pradesh State Electricity Regulatory Commission (Conduct of Business) Regulations, 2011. Accordingly, the Petitioner has filed the instant petition. The Regulation 3.6.4(10) of the 2024 Supply Code provides as follows:
 - "(10) For electrified areas up to 150 kW the consumer shall deposit the connection charges for new connection, as applicable, on the basis of the load, category of connection sought and average cost of connection of the distribution licensee so as to avoid site inspection and estimation of demand charges for each and every case individually. The demand charges, in such cases, may be paid at the time of application for new connection. The connections charges for such consumers shall be as specified in the Retail Supply Order issued by the Commission from time to

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time. The licensee has to file a petition as per the APSERC Conduct of Business regulation before the Commission for determination of such miscellaneous charges/various electrical charges as specified in Annexure 10.13 of this code once in two-year period."

11. The Petitioner has claimed the following connection charges for new service connections in electrified areas:

SI	Category of	Registration	Cost of	Cost of meter		Security Deposit		Connection charges per KW	
No	Consumer	and processing fee	materials	Prepaid	Postpaid	Prepaid	Postpaid	Prepaid	Postpaid
1	2	3	4	5	6	7	8	9=3+4+5+7	10=3+4+6+8
	I. LT, 1-Ph (Upto	7 KW whose d	istance is not	t more than 30	Om from the	nearest pol	e).		
1	Domestic	50	1750	6000	1500	0	1728	7800	5028
2	Commercial	50	1750	6000	1500	0	3600	7800	6900
3	LT Industrial	50	1750	6000	1500	0	3096	7800	6396
4	Agriculture	50	1750	6000	1500	0	1473	7800	4773
5	Water Supply	50	1750	6000	1500	0	2424	7800	5724
6	Street Light	50	1750	6000	1500	0	2938	7800	6238
7	Sigbal& Blinker	50	1750	6000	1500	0	2938	7800	6238
8	Railway Traction	50	1750	6000	1500	0	1728	7800	5028
9	EV Charging station	50	1750	6000	1500	0	3600	7800	6900
	II. LT. 3-Ph (For	load more than	7 KW and up	to 50 KW and	l whose dist	ance is not	more than 3	Om from the nea	rest pole).
1	Domestic	50.00	3500.00	6000.00	2500.00	0.00	1728.00	9550.00	7778.00
2	Commercial	50.00	3500.00	6000.00	2500.00	0.00	3600.00	9550.00	9650.00
3	LT Industrial	50.00	3500.00	6000.00	2500.00	0.00	3024.00	9550.00	9074.00
4	Agriculture	50.00	3500.00	6000.00	2500.00	0.00	1473.00	9550.00	7523.00
5	Water Supply	50.00	3500.00	6000.00	2500.00	0.00	2424.00	9550.00	8474.00
6	Street Light	50.00	3500.00	6000.00	2500.00	0.00	2938.00	9550.00	8988.00
7	Signal & Blinkers	50.00	3500.00	6000.00	2500.00	0.00	2938.00	9550.00	8988.00
8	Railway Traction	50.00	3500.00	6000.00	2500.00	0.00	1728.00	9550.00	7778.00
9	EV charging station	50.00	3500.00	6000.00	2500.00	0.00	3600.00	9550.00	9650.00
III. 1	1 KV (Load more nearest po		5.6 KVA) and	up to 150 KW	(166.7 KVA)	whose dist	ance is not r	nore than 100 n	eters from the
1	Domestic	1000.00	14804.00	23000.00	4000.00	0.00	1469.00	38804.00	21273.00
2	Commercial	1000.00	14804.00	23000.00	4000.00	0.00	3024.00	38804.00	22828.00
3	HT (11KV) Industries	1000.00	14804.00	23000.00	4000.00	0.00	5400.00	38804.00	25204.00
4	Agriculture	1000.00	14804.00	23000.00	4000.00	0.00	1307.00	38804.00	21111.00
5	Water Supply	1000.00	14804.00	23000.00	4000.00	0.00	1996.00	38804.00	21800.00
6	Street Light	1000.00	14804.00	23000.00	4000.00	0.00	2419.00	38804.00	22223.00
7	Signal & Blinkers	1000.00	14804.00	23000.00	4000.00	0.00	2419.00	38804.00	22223.00
8	Railway Traction	1000.00	14804.00	23000.00	4000.00	0.00	3024.00	38804.00	22828.00

12. The Petitioner has claimed (a) registration and processing fee, (b) cost of materials, (c) cost of meter (both prepaid and postpaid consumers as the case may be) and (d) security deposit (both prepaid and postpaid consumers as the case may be) for nine categories of consumers of 1-Ph (up to 7 KW whose distance is not

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more than 30m from the nearest pole) and LT, 3-Ph (For load more than 7 KW and up to 50 KW and whose distance is not more than 30m from the nearest pole) and eight categories of consumers under the 11 KV (Load more than 50KW (55.6 KVA) and up to 150 KW (166.7 KVA) whose distance is not more than 100 meters from the nearest pole), as quoted in the table above. Further, the Petitioner has submitted that (a) the "Signal & Blinker" category of consumers are treated at par with the "street lightning" category of consumers and (b) the "railway traction" and the "EV charging station" category of consumers are treated at par with the "commercial category".

13. We have considered the Petitioner's claim of (a) registration and processing fee, (b) cost of materials, (c) cost of meter and (d) security deposit in the subsequent paragraphs. It is observed that the Petitioner has claimed cost of meter and security deposit for the postpaid consumers, besides the prepaid consumers. However, as per Regulation 5.1.1 of the 2024 Supply Code all new connections shall be "smart pre-payment meter" or "pre-payment meter" and the 2024 Supply Code does not provide for postpaid new connections. Any exception to installation of "smart pre-payment meter" or "pre-payment meter" has to be approved by the Commission along with proper justification for allowing such a deviation. The Regulation 5.1.1 of the 2024 Supply Code provides as follows:

"5.1 Metering

5.1.1. Requirement of Meters (1) No connection shall be given without a meter and such meter shall be the smart prepayment meter or pre-payment meter. Any exception to the smart meter or prepayment meter shall have to be duly approved by the Commission. The Commission, while doing so, shall record proper justification for allowing the deviation from installation of the smart pre-payment meter or pre-payment meter."

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- 14. In view of the above, we disallow the Petitioner's claim for approval of connection charges for postpaid new connections. As Regulation 5.1.1 of the 2024 Supply Code provides for only installation of "smart pre-payment meter" or "pre-payment meter" for new connections, we approve connection charges for only new prepaid connections.
- 15. We now consider the Petitioner's claim of (a) registration and processing fee, (b) cost of materials, (c) cost of meter (for prepaid consumers) and (d) security deposit (for prepaid consumers).

Registration and Processing Fee

16. The Petitioner has submitted that the registration and processing fee is claimed as specified in the 2024 Supply Code. It is observed that the registration and processing fee specified in the Annexure.10.13 of the said 2024 Supply Code is ₹50 for LT consumers and it is ₹1000 for HT consumers. Accordingly, the registration and processing fee claimed by the Petitioner is in accordance with the 2024 Supply Code. Therefore, we approve the registration and processing fee of ₹50 in case of LT, 1-Ph and Lt, 3-Ph and ₹1000 in case of 11 kV (Load more than 50 KW and up to 150 KW) consumers.

Cost of materials

17. The Petitioner has submitted ₹1750/KW, ₹3500/KW and ₹14804/KW for new connections up to 7 KW (up to 30 meter), more than 7 KW and up to 50 KW (up to 30 meter) and more than 50 KW and up to 150 KW (up to 100 meter), respectively towards cost of materials for new connections. We find that there are certain discrepancies in the calculations made by the petitioner. Further, we are also of the considered view that the limit of 30 meter in the case of LT, 1-Ph upto 7 KW and

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LT, 3-Ph of more than 7 KW upto 50 KW is too less and many consumers under these two groups may not fall within a distance of 30 meter and shall be left out because of marginal excess length beyond 30 meters from the nearest pole. Such a limit of "not more than 30 meters" shall make the whole exercise theoretical without actually extending ease of connection to new consumers as enshrined in Right of Consumer Rule -2020. Therefore, we feel there is a need to approve charges for new connections beyond 30 meter and up to a reasonable distance of 100 meter. Similarly, we feel there is a need to approve charges for new connections up to 500 meter from the nearest pole in case of the consumers of 11 KV (load more than 50 KW and up to 150 KW).

18. The Petitioner has also submitted the analysis made by the Petitioner for arriving at the cost of materials along with the petition. We have observed that the cost is taken from the Schedule rate of the petitioner, though it has not been submitted to Commission for approval. In absence of approved cost data, for analysis purpose, we are constrained to consider the Petitioner's data of ₹1750 (for distance up to 30 meter) and ₹14804 (distance up to 100 meter) for new connections up to 7 KW, more than 7 KW to 50 KW and more than 50 KW and up to 150 KW, respectively towards cost of materials for new connections after incorporating necessary corrections in the calculation. Further, taking into consideration the base cost of material claimed by the Petitioner, we have approved the cost of material up to 100 meter in case of the first two groups of consumers and up to 500 meter in case of the third group of consumers in the table given later in this order.

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Cost of meter (for prepaid consumers)

19. The Petitioner has claimed ₹6000 and ₹23000 towards cost of meters for prepaid new LT connections and prepaid new 11 KV connections, respectively. The Petitioner has further submitted that the cost of meter is claimed as specified in Revamped Distribution Sector Scheme (RDSS) and has annexed a copy of the Smart Metering DPR of the Department of Power, Arunachal Pradesh in support of its claim along with the petition. We have considered the information submitted by the Petitioner regarding the cost of meter as ₹6000 and ₹23000 for prepaid new LT connections and prepaid new HT connections, respectively.

Security Deposit

- 20. The Petitioner has claimed Security Deposit in case of new postpaid connections and has not claimed any Security Deposit for new prepaid connections. As per Regulation 3.2.4 of the 2024 Supply Code, no security is required to be paid in case of prepaid meters and therefore, the Petitioner has not claimed any Security Deposit in case of prepaid meters. As we have already decided that we are not approving charges for the new postpaid connections, there is no requirement for us to consider the Petitioner's claim for Security Deposit in case of new postpaid connections.
- 21. The Petitioner has submitted that the "Signal & Blinker" category of consumers are treated at par with the "street light" category of consumers and the "Railway traction" and "EV charging station" category of consumers are treated at par with the "commercial" category of consumers. As there is no category of "Signal & Blinker", "Railway traction" and "EV charging station" category of consumers at

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present, the Petitioner has categorised them as stated above and we approve the same.

- 22. We also feel it pertinent to refer to Regulation 3.3 of the 2024 Supply Code, according to which the consumer seeking a new connection/ extension of work can carry out the work required for availing the new connection/ extension of work. However, the work has to be carried out as per the procedure specified in the 2024 Supply Code. The Regulation 3.3 of the 2024 Supply Code provides as follows:
 - "3.3. Service Connection/ Extension work carried out by Consumers

If the consumer wishes to carry out the works himself, he shall be permitted to do so under supervision by the licensee's official. Adhering to the estimate and layout approved by the licensee, the consumer can get the work of drawing of service line from the licensee's distribution mains up to his premises through a 'C' or higher-class Licensed Electrical Contractor (LEC), and the work of extension of HT/EHT line, Distribution or HT substation and LT line only through an 'A' class LEC. In such case, the consumer himself shall procure the materials. The material should conform to relevant BIS specifications or its equivalent and should bear the ISI mark wherever applicable. The licensee may ask for documentary evidence to verify the quality of materials used. Provided further that if the consumer chooses to get the extension work done on his/her own, he shall bear only supervision charges, as per the schedule of charges provided in Annexure 10.12 to this Code Provided further that if the consumer chooses to get the extension work done on his own, he shall get the work done within the time frame specified in clause 3.6.12 (2) of this Code, failing which the licensee may, on giving 15 days' notice, treat the application form for supply as cancelled and the consumer has to apply afresh."

- 23. As the 2024 Supply Code provides for a new consumer to get the work done by himself for availing the connection, we are of the view that it is necessary for us to approve the new connection charges for LT, 1-Ph and Lt, 3-Ph and 11 KV in two scenarios, i.e., if the material and meter are provided by the licensee and if the material and meter are provided by the consumer seeking a new connection/extension work.
- 24. Accordingly, we approve the following new connection charges:

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		L	T, 1-Ph –	up to 7	KW(upto a	distance of 100	meter)
SI. No.	Vhose distance Category of Consumer	Registration and processing fee	an 30m from Cost of materials	Cost of prepaid meter	New connection charges, if the material and meter is provided by the licensee	For length exceeding 30 meter and up to 100 meter	New connection charges, if the material, meter and the labour is provided by the consumer
1	2	3	4	5	(3+4+5)	7	8
						Additional cost of	50
1	Domestic	50	7000	6000	13050	material @	
2	Commercial	50	7000	6000	13050	₹233 per meter	50
3	LT Industrial	50	7000	6000	13050	22-4707	50
4	Agriculture	50	7000	6000	13050		50
5	Water Supply	50	7000	6000	13050		50
6	Street Light	50	7000	6000	13050		50
7	Signal & Blinker	50	7000	6000	13050		50
8	Railway Traction	50	7000	6000	13050		50
9	EV Charging Station	50	7000	6000	13050		50

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LT, 3-Ph – For load more than 7 KW and up to 50 KW (upto a distance of 100 meter)

Whose d	listance is not m	ore than 30m fi	om the near	est pole			New connection
SI. No.	Category of Consumer	Registration and processing fee	Cost of materials	Cost of pre- paid meter	New Connection charges, if the material and meter is provided by the licensee (3+4+5)	For length exceeding 30 meter and up to 100 meter	charges, if the material, meter and labour is provided by the consumer
1	2	3	4	5	6	7	8
1	Domestic	50	14000	6000	20050	Additional cost of material @ ₹467 per meter	50
2	Commercial	50	14000	6000	20050		50
3	LT Industrial	50	14000	6000	20050		50
4	Agriculture	50	14000	6000	20050		50
5	Water Supply	50	14000	6000	20050		50
6	Street Light	50	14000	6000	20050		50
7	Signal & Blinker	50	14000	6000	20050		50
8	Railway Traction	50	14000	6000	20050		. 50
9	EV charging station	50	14000	6000	20050		50

	11	kV Load (Loa		an 50 KW an distance of t	nd up to 150 KV 500 meter)	v)
populari karana kapaha samunanan		Registration	Cost of	Cost o	f materials	New Connection
SI. No.	Category of Consumer	and processing fee	pre-paid meter	Cost of line (per meter)	Cost of transformer (per kW)	charges, if the material, pre-paid meter and the labour is provided by the consumer
1	Domestic	1000	23000		13356	1000
2	Commercial	1000	23000			1000
3	HT (11 KV) Industries	1000	23000			1000
4	Agriculture	1000	23000			1000
5	Water Supply	1000	23000	1447		1000
6	Street Light	1000	23000			1000
7	Signal & Blinker	1000	23000			1000
8	Railway Traction	1000	23000			1000

NOTE: (1) The cost of the meter shall not be recoverable from the new consumers granted connection under the RDSS. A list of such NEW consumers considered under RDSS shall be submitted to the Commission by the licensee.

25. The Petitioner shall devise a calculator and post it on its website taking into consideration the rates approved herein for calculation of the new connections charges by the consumers.

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- 26. The instant order will be applicable for a period of two years from the date of issue of this order or till the date it is amended/ revised by the Commission, whichever is earlier.
- 27. This order disposes of Petition No.MP-04 of 2024 in terms of the above discussion and findings.

Nich Rika (Member)

R. K. Joshi Chairperson)

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