

## UERC (Standards of Performance) Regulations, 2022 [Draft]

The draft on UERC (Standards of Performance) Regulations, 2022 was notified by UERC on **8<sup>th</sup> June, 2022**. The key highlights of the draft are as mentioned below:

<b>Regulation No. 7</b>	<b>Compensation</b>
In case the discom <b>fails</b> to meet <b>Guaranteed SOP</b> specified in <b>Schedule I</b> , it shall be liable to pay to the affected consumers as specified in <b>Schedule III</b> . Discom shall pay to the affected consumers <b>by way of adjustment in current/future electricity bills</b> as specified in <b>Schedule III</b> .	
<b>Regulation No. 9</b>	<b>Compensation Mechanisms</b>
<ul style="list-style-type: none"> <li>• Case of <b>Stay Order from Court, Tribunal or Commission - No payment until final decision from court. Also no payment in case of any arrears due to consumer.</b></li> <li>• <b>Payment of Compensation</b> - Consumer bills adjustments or <b>NEFT/RTGS/cheque (permanent disconnection with no outstanding dues).</b></li> <li>• <b>Intimation to the consumer</b> regarding guaranteed time for registration of complaints and regarding guaranteed standards of performance (Schedule I) and compensation amount (Schedule III). The guaranteed SOP (Schedule I) and Compensation details shall be displayed also on websites and offices.</li> <li>• <b>In Case of Delay in complaint resolution, claim compensation within 30 days of complaint resolution</b></li> <li>• Claim can be filed personally/by email/help desk/online/registered post/help desk/centralized customer care centre to the concerned officer. <b>Within 6 months from notification</b> of these regulations, licensee shall create <b>online facility</b> for registering and claiming compensation and that should be widely circulated. Every claim application shall be given <b>unique complaint number</b> (and provided to complainer by mail/mobile no.) and status of actions taken in particular should be reflected on website.</li> <li>• <b>Licensee shall give compensation within 45 days</b> from the date of receipt of complaint application or else an order after hearing from parties from the commission in case of refusal of compensation payment and same shall be communicated to consumer and reflect on website. <b>Failure in compensation payment by licensee</b> or in case of <b>non-satisfaction</b> to consumer will lead to grievance and dealt by CGRF. Additional penalty may be levied on licensee in such case. Consumer approach CGRF <b>within 30 days</b> of order passed by licensee. <b>Failure from CGRF</b>, consumer can approach <b>Ombudsman (Electricity)</b>. <b>No fee</b> shall be charged from aggrieved consumer for approaching to Forum, licensee or Electricity Ombudsman.</li> </ul>	
<b>Schedule I</b>	<b>Guaranteed Standards of Performance</b>
Time limit is specified for each case in particular and in depth for every standard. Standards are w.r.t. following : <ol style="list-style-type: none"> <li>1. Release of New Connections (LT &amp; HT) and Enhancement/Reduction of Load</li> <li>2. Restoration of Power Supply</li> <li>3. Quality of Power Supply- Voltage LT (<math>\pm 6\%</math> ), HT (+6% &amp; -9%), EHT (+10% &amp; -12.5%), Harmonics (I &amp; V THD notified within 6 months of notification)</li> <li>4. Complaints about the meter</li> <li>5. Transfer of Consumer's Connection and Conversion of Services</li> <li>6. Complaints about consumer bills</li> <li>7. Issues Relating to Disconnection/ Re-connection of Supply</li> <li>8. Other Service Chargeable to Consumer/Applicant</li> </ol>	
<b>Schedule II</b>	<b>Overall Standards of Performance</b>
Maximum tolerance value is mentioned in regulations for every case mentioned below: <ol style="list-style-type: none"> <li>1. Normal Fuse off Calls</li> <li>2. Line Breakdowns</li> <li>3. Distribution Transformer Failures</li> <li>4. Period of Scheduled Outages</li> <li>5. Reliability Indices (<b>SAIFI, SAIDI, MAIFI</b>)</li> <li>6. Computing Distribution System Reliability Indices</li> <li>7. Voltage Imbalance</li> <li>8. Billing Mistakes</li> <li>9. Faulty Meters</li> <li>10. NA/NR</li> </ol>	
<b>Schedule III</b>	<b>Guaranteed SOP and Compensation to Consumers in case of Default</b>
For every case in Schedule I. the compensation payable in case of violation of every Standard is mentioned in particular in Schedule III. Compensation payable to single consumer if event affects single consumer and more consumers in case if event affects more than one consumer.	

## Schedule II: Overall Standards of Performance

Service Area	Overall Standards of Performance
Normal Fuse off Calls	≥ 99% rectified within time limits
Line Breakdowns	≥ 95% resolved within time limits
DT Failure	≥ 95% replaced within time limits
Scheduled Outage Period	
≤ 12 hr/day in single stretch	≥ 95% cases resolved within time limit
Supply Restoration by 6PM	
Reliability Indices	Laid down by Commission (Licensee Target with ARR)
Frequency Variations	As per IEGC
Voltage Unbalance	3% at max at point of commencement of supply
Billing Mistakes (%)	≤ 1%
Faulty Meters (%)	≤ 2%
NA/NR Cases (%)	≤ 2%

## Schedule III: Guaranteed Standards of Performance & Compensation

Service Area	Standard	Compensation to Single Consumer if Single Consumer Affected	Compensation to Single Consumer if Multiple Consumer Affected	
1. Release of New Connection & Enhancement/ Reduction of Load	1.1 Release of New LT Connection (Alteration - New/Extension Distribution Mains <b>DM</b> & New Substation <b>S</b> )	<ul style="list-style-type: none"> <li>No Alteration ≤ 15 d</li> <li><b>With Alteration:</b></li> <li>DM ≤ 60 d</li> <li>S 11/0.1kV ≤ 90 d</li> <li>S 33/11kV ≤ 180 d</li> </ul>	Rs 5/ Rs 1000/ day up to Rs 500/ day. [Compensation Limit – Applicant Amount Deposit]	NA
	1.2 Release of New HT/EHT Connection (Commissioning New Substation S / Bay B)	<ul style="list-style-type: none"> <li>≤ 60 d 11kV works with line</li> <li>≤ 90 d 11kV works line + Independent feeder</li> <li>≤ 180 d 33kV works with line</li> <li>≤ 300 d 132kV &amp; above with line</li> <li><b>With Alteration:</b></li> <li>≤ 180 d S 33/ 11kV</li> <li>≤ 120 d Augment S 33/11kV</li> <li>≤ 45 d B extension at 33/ 11kV S</li> <li>≤ 540 d S 132 kV &amp; above</li> <li>≤ 90 d B extension at 132 kV &amp; above</li> </ul>	Rs 500/ day of default	NA
	1.3 Load Enhancement/ Reduction	<ul style="list-style-type: none"> <li>≤ 15 d LT Connection</li> <li>≤ 30 d HT/EHT Connection (Alteration- 1.1 &amp; 1.2)</li> </ul>	Rs 50/day of default. Max Rs. 50000/-	NA
2. Restoration of Power Supply	2.1 Fuse Blown out or MCB/MCCB	<ul style="list-style-type: none"> <li>≤ 4 h Urban Areas</li> <li>≤ 8 h Rural Areas</li> </ul>	Rs 20/h of default	Rs 10/h of default to every consumer

	tripped	<ul style="list-style-type: none"> <li>• ≤ 12 h Hilly Areas (NM)</li> </ul>		
	2.2 Service line broken / Service line snapped from pole	<ul style="list-style-type: none"> <li>• ≤ 6 h Urban Areas</li> <li>• ≤ 12 h Rural Areas</li> <li>• ≤ 24 h Hilly Areas (NM)</li> </ul>	Rs 20/h of default	Rs 10/h of default to every consumer
	2.3 Fault in LT Distribution Line/ System	<ul style="list-style-type: none"> <li>• ≤ 12 h Urban &amp; Rural Areas</li> <li>• ≤ 24 h Hilly Areas (NM)</li> </ul>	Rs 20/h of default	Rs 10/h of default to every consumer
	2.4 Distribution Transformer Fail / Burnt	<ul style="list-style-type: none"> <li>• ≤ 24 h Urban &amp; Rural Areas</li> <li>• ≤ 48 h Hilly Areas (M)</li> <li>• ≤ 72 h Hilly Areas (NM)</li> </ul>	Rs 20/h of default	Rs 10/h of default to every consumer
	2.5 HT mains failed due to fuse blown/ line snap/ others	<ul style="list-style-type: none"> <li>• ≤ 12 h Urban &amp; Rural Areas</li> <li>• ≤ 24 h Hilly Areas (NM)</li> </ul>	Rs 20/h of default	Rs 10/h of default to every consumer
	2.6 Problem in 33/ 11kV Substation	<ul style="list-style-type: none"> <li>• ≤ 24 h Plains</li> <li>• ≤ 48 h Hilly Areas</li> </ul>	Rs 20/h of default	Rs 10/h of default to every consumer
	2.7 Power Transformer Failure	Rectification within 10 d	Rs 1000/ day of default	Rs 300/d of default to every consumer
	2.8 Fault in UG System Line/ Cable	<ul style="list-style-type: none"> <li>• ≤ 12 h for LT Connection</li> <li>• ≤ 48 h for HT Connection</li> </ul>	Rs 20/h of default	Rs 10/h of default to every consumer
3. Quality of Power Supply	3.1 Local Problem (Voltage Vary, Flickering, etc)	≤ 4 h	Rs 5/h of default	Rs 2/h of default to every consumer
	3.2 Transformer Tap Changing	≤ 3 d	Rs 100/d of default	Rs 50/d of default to every consumer
	3.3 Repair of Distribution Line/ Xmer/ Capacitor	<ul style="list-style-type: none"> <li>• ≤ 15 d LT Dist. Line</li> <li>• ≤ 90 d HT Dist. Line</li> <li>• ≤ 30 d Dist. Xmer</li> <li>• ≤ 120 d Power Xmer</li> <li>• ≤ 30 d Capacitor</li> </ul>	Rs 200/d of default	Rs 100/d of default to every consumer
	3.4 Installation & Upgradation of HT/ LT System	<ul style="list-style-type: none"> <li>• ≤ 90 d LT System</li> <li>• ≤ 180 d HT System</li> </ul>	Rs 200/d of default	Rs 100/d of default to every consumer
	3.5 Damage to Consumer Apparatus due to Voltage Fluctuations	Immediate Isolation of Faulty Section	<ul style="list-style-type: none"> <li>• Repair Charges with max. Rs 100 per apparatus: Fan, B&amp; W TV, Mixy, Grinder, Toaster, other portable</li> <li>• Repair Charges with max. Rs 3000 per apparatus: Colour TV (43"), Semi Auto Washing Machine, Fridge (200L), Microwave.</li> <li>• Repair Charges with max. Rs 5000 per apparatus: Colour TV (&gt;43"), Fully Auto Washing Machine, Fridge (&gt;200L), Computer. AC, Dishwasher, Chimney</li> </ul>	
	4. Complaints about meters	4.1 Complaint Lodged for Accuracy Test of Meter	<ul style="list-style-type: none"> <li>• ≤ 30 d for testing of meter</li> </ul>	Rs 50/d of default

		<ul style="list-style-type: none"> <li>• ≤ 15 d if meter replacement needed after above</li> </ul>		
	4.2 Complaint Lodged for Defective/ Stuck Meter	<ul style="list-style-type: none"> <li>• ≤ 30 d for testing of meter</li> <li>• ≤ 15 d if meter replacement needed after above</li> </ul>	Rs 100/d of default	NA
	4.3 Complaint Lodged for burnt Meter	<ul style="list-style-type: none"> <li>• ≤ 6 h for supply restoration by bypassing burnt meter</li> <li>• ≤ 3 d Install New meter</li> </ul>	Rs 100/d of default	NA
5. Transfer of Consumer's Connection & Conversion of Services	5.1 Consumer Name Change due to Change in Ownership/ Occupancy for property	<ul style="list-style-type: none"> <li>• ≤ 2 M after application acceptance</li> </ul>	Rs 100/d of default	NA
	5.2 Transfer of Consumer's Name to Legal heir	<ul style="list-style-type: none"> <li>• ≤ 2 M after application acceptance</li> </ul>	Rs 100/d of default	NA
	5.3 Change of Category	<ul style="list-style-type: none"> <li>• ≤ 5 d Premise Inspection</li> <li>• ≤ 2 M Change of Category</li> </ul>	Rs 100/d of default	NA
6. Complaint about Consumer Bills	6.1 First Bill	≤ 2M of release of connection	10% of billed amount to max. of Rs 500/ month	NA
	6.2 Billing Complaints	Complaint Resolution & Intimation to Consumer <ul style="list-style-type: none"> <li>• ≤ 15 days if no additional info required</li> <li>• ≤ 30 days if additional info required</li> </ul>	Rs 20/d of default. Max. (Less among 10% of billed amount/ Rs 500)	NA
	6.3 Final Bill for vacation of premises/ change of occupancy	Final bill delivery at least 3 days before vacation of premises	Rs 20/d of default	NA
	6.4 Billing after permanent disconnection on consumer's request	Same shall be liable for compensation	Rs 500/d of default	NA
	6.5 Arrears appearing in Billing/ Wrongly raised Bills	Licensee should not raise any arrears that are already paid	1 <sup>st</sup> Time: 10% of arrear amount. Max. Rs 500 2 <sup>nd</sup> Time: 15% of arrear amount. Max. Rs 100 3 <sup>rd</sup> Time: 10% of arrear amount. Max. Rs 2000	NA
7. Issues Related to Disconnection & Reconnection of Supply	7.1 Request for Reconnection	(Reconnection Request within 6 M of disconnection or before permanent	Rs 100/d of default	NA

		disconnection whichever later) ≤ 5 d after payment of past dues & charges <b>Otherwise-</b> All formalities as for new connection case		
	7.2 Consumer wanting disconnection	≤ 7 d of application submission of permanent disconnection	Rs 100/d of default	NA
	7.3 Refund of Security Deposit After Adjustment	≤ 30 d of permanent disconnection	Rs 100/d of default	NA
8. Other Services Chargeable to Consumer/ Applicant	8.1 Shifting of Lines/ Poles/ Transformers	<ul style="list-style-type: none"> <li>• ≤45 d for LT Connection</li> <li>• ≤120 d for HT Connection</li> </ul>	<b>LT Connection</b> Rs 100/day of default Max. 20% of deposit <b>HT Connection</b> Rs 200/day Max. 20% of deposit	NA

The draft amendment can be accessed [here](#)

## CER Opinion

1. **Measurement of Performance and Incentive/Penalty Thereof:** The Regulations specify measurement of Overall Standards of Performance provided in Schedule – II, but these Regulations don't specify the level at which these standards will be measured, calculated and reported. Furthermore, it is also not clear how these measurements will be used in the overall regulatory framework. From a regulatory perspective, it is important that the **performance of the licensee measured in terms of these indexes should be linked either to their return or to the recovery of O&M costs**. The linkage to the O&M costs will give appropriate incentive to the licensee to ensure that such expenses are efficiently deployed improvement of these performance indices by maintaining the equipment adequately.
2. **Information sharing through Discom's Website and App:** Draft clause no. 9 (3) states "...licensee shall intimate the prescribed guaranteed time as per Schedule-I of these regulations to the individual complainant...", clause no. 9 (4) states "The licensee shall also display the guaranteed Standards of Performance as per Schedule-I and compensation payable as per Schedule-III on its websites and its sub-division/division/circle/zonal offices", clause no. 10 (4) states "Licensee should publish the guaranteed Standards of Performance along with compensation structure, information on procedure for filing of complaints, on their website...", clause no. 10 (5) states "...licensee shall arrange to give due publicity through media, TV, newspaper, website and by displaying in boards at its subdivision/division/circle/zonal offices to bring awareness of consumer rights...". All these four clauses may be rearranged in a way that the same information isn't repeated multiple times.

Publicity has a connotation that the utility has done its part in informing the consumer of their rights. Utilities must make an effort to go beyond publicity, thus these SoPs should be easily assessable and visible in an informed matter to the consumer through the homepage of the licensee.

The given statements also do not mention sharing the information through the App of the licensee. It is suggested that **SoP related information may be displayed on the discom's website and mobile app in a separate section named 'Standards of Performance' for ease of viewing and consumer awareness.** This section should be available as a dedicated tab on the homepage of the website and app, and should be clearly visible on the site map as well. This information must also be visible on the consumer's login dashboard and a QR code with link to the SoP page should also be printed on the back of the consumer's monthly bill.

- 3. Complaint handling/ Claim application Tracking System:** Draft clause no. 9 (6) states "*...Such claim can be filed either personally/e-mail/registered post/online/mobile app/Help Desk/Centralized Customer Care Centre to the concerned officer...*" and clause no. 9 (7) states "*Every Claim Application shall be given a registration number which will be different from the Unique Complaint Number...*"

It is not advisable to create an independent **Claim Application registration number, but this should be linked to the Unique Complaint Number (and hence to the consumer number)** against which the claim is to be made. The **complaint handling/ claim application may be made online through the licensee's website and mobile app for tracking the complaint/ claim status** through the claim registration number made through the consumer's account linked through its Consumer Number. This will enable live tracking of the complaint/ claim status to the consumer.

- 4. Sharing of Consumer Claim Data:** The licensee must **report the compensation amount, type of consumer, and other associated data linked to complaints made by consumers and complaint status to the Commission on a quarterly basis.** The website of the licensee should also provide for a mechanism to search the complaint/ compensation status upon entering the Unique Complaint Number.
- 5. Data sharing and Transparency:** Draft clause no. 10 (6) states "*The distribution licensee shall annually arrange to display feeder wise outage data, efforts made for minimising outages, prevention of theft or unauthorised use of electricity or tampering, distress or damage to electrical plant, electric lines or meter and results obtained during the year, on its website.*" **Such data should be archived and be available for ease of access and may be made available for public viewing for research and data analysis** in order to enrich the environment for open source regulatory research and, to assist improvement of the relevant policy and regulation.
- 6. Time limit for adjustment of compensation through consumer's bills:** Draft clause no. 9 (2) states "*...payment of compensation shall be made only by adjustment against current and immediate future bills...*". The duration of '*immediate future bills*' may be mentioned in these definitions. It is suggested **that adjustment of compensation of bills must not exceed more than 3 months** (and that too in case the compensation amount is higher than the bill of the proceeding months). In case the total claim is less than the total billed amount even after 3 months, the outstanding compensation due to the consumer must be made through cheque/NEFT/RTGS on the third month.
- 7. Enabling Digital Customer Service Interface:** In the modern era of social media, dicoms should be encouraged to adopt technology platforms (like WhatsApp) for customer service

experience. A customer would easily be able to share the picture of an incident (if required) or the equipment needing attention allowing the discom officials to send appropriate response team with necessary technology support and replacement parts. This will enable the response staff to understand beforehand the incident before visiting the site in order to carry the necessary equipment thus saving the precious time, and allowing the discom to meet its SoP.

- 8. Reoccurrences of Events:** The reoccurrences of the same event multiple times at the same point/ area of service needs to be resolved with greater scrutiny from the Licensee's engineering side and requires greater scrutiny from the Regulatory perspective. These events must be reported separately. The Commission may later take a call on a separate SoP criteria for such events if required.
- 9. Uncontrollable Weather Conditions:** The SoP for snow bound hilly areas during winters should be addressed separately. Also, uncontrollable weather conditions such as Heavy Snowfall, Avalanches aren't specified in Force Majeure Conditions under Regulation No. 12. It is suggested that such issues should be addressed in these Regulations.
- 10. Supply through Microgrids:** In case the discom provides new connections through micro/mini grids in remote areas, due to unavailability of the distribution network in the area, the provisions of these Regulations do not provide for such arrangements. It is suggested that the **SOP for microgrids** be specified separately.
- 11. Lack of Compensation for under-performance:** In Schedule - III, for the "*Release of new connections and Enhancement/Reduction of Load*" the "*Compensation payable to individual consumer if the event affects more than one consumer*" is marked as "*Not Applicable*". This would let the **discom avoid compensation in those cases**, where more than one consumer is affected by a fault in the distribution network. This means that scope of the SoP excludes a major component of what forms part of the key indices like SAIFI, SAIDI etc. Non-payment of compensation should be limited to force majeure conditions only.
- 12. Compensation Mechanism (Clause No. 9):** The mechanism for awarding compensation is clearly in the favour of the licensee as the burden to claim compensation lies with the consumer who is essentially the affected party. To ensure that the licensee has incentive to adhere to the SoP and to provided adequate, timely and effortless compensation to the consumers, the process of payment of compensation should be automatic and be adjusted in the forthcoming bill(s) of the consumer. The licensee should make an online portal wherein a consumer should be able to review its historical consumption and payment history. This portal should also allow for cross checking the automatic payment of compensation and it's adjustment in the consumer's bill as per these Regulations. In case of a failure of a licensee to make automatic payment of compensation, this portal should allow raising the complaint against the same, a copy of which should also be forwarded to the appropriate CGRF.
- 13. Record of Delay:** The audit trail for the record of number of days of delay should be mentioned in these Regulations. It may also be specified in these Regulations, that which entity will mark and keep a record of the delay. The date of completion of complaint application should also be specified in order to record the delay time.

**14. Pass-through of IT Infrastructure costs in ARR:** A reasonable and efficient investment required for achieved the aforementioned objectives be provided for through the ARR by the Commission. This should also ensure that the investment made lead to the desired outcome identified for the investment.

**15. Framework for Regulatory Compliance:** The words “*shall seek to achieve*” used in Draft clause no. 6(2) and the words “*shall arrange to give due publicity*” used in Draft clause no. 8 (2) seem to leave **gaps in the framework for regulatory**, and needs to be amended.

**16. Faulty meters:** In Schedule – II clause no. 1 (9) mentions three types of faulty meters, namely “*Appears to be Defective (ADF), Reading Defective (RDF) & Identified Defective (IDF)*”. The definition of these terms may be mentioned in these Regulations or be referred to in case a definition already exists in the prevailing rules.

**17. Lack of Standards for Harmonics:** Although the draft Regulations provides for Voltage Unbalance under Schedule – II clause no. 1 (7), these Regulations do not provide for Harmonic Standards. It is suggested that Harmonic Standards may be incorporated in these draft Regulations (or separately) since these influence the grid operation.

EAL comments on the draft amendments to the Tamil Nadu Electricity Supply Code stipulating Harmonic Limits in it’s newsletter ‘*Power Chronicle: Volume 4, Issue 2*’, accessible from [https://eal.iitk.ac.in/assets/docs/power\\_chronicle\\_vol\\_4\\_issue\\_2.pdf](https://eal.iitk.ac.in/assets/docs/power_chronicle_vol_4_issue_2.pdf).

**18. IT based implementation of SoP:** Implementation of SoP and its enforcement, including payment of compensation as applicable would be significantly influenced by the process implemented by the discom for the same. To ensure that such a process is efficiently implemented, an IT-based platform should be integrated with the existing system to ensure that the consumers get timely compensation. Otherwise, the physical process to claim compensation or even to verify whether the SoP have been breached or not would defeat the purpose of design of the SoP and the compensation mechanism by the Commission. This will also improve overall transparency and empower consumers.

The mechanism for verification of rectification of a fault (event) is currently based on the self-reporting by the licensee. This should involve the consumer through appropriate IT intervention through an App based system. The parallels for an example of such mechanism can be drawn from eCommerce companies, which deliver products only after the package delivery is confirmed though an OTP. The confirmation of this OTP (to be received directly by the consumer) to the delivery person closes the delivery process and ensures that the task has been completed. A similar process involving **OTP based confirmation of ‘satisfactory rectification of the fault/error’ be introduced, wherein the consumer would receive the OTP and share it with the visiting discom team or ‘close’ the complaint through the App** once the task is completed. This would incentivise the discom to address the fault/error within the SoP limit, and would ensure consumers’ participation. A first cut for the proposed approach is outlines in the flowchart below.



