

Ministry of Power Electricity (Rights of Consumers) Amendment Rules, 2021

Ministry of Power has issued the Draft Electricity (Rights of Consumers) Amendment Rules, 2021 on 30th September, 2021. The key highlights of the draft are given below,

New Clauses under Rule No.10 (Reliability of Supply) is inserted:

- DISCOMs shall ensure 24x7 uninterrupted power supply to control pollution levels by avoiding usage of DG sets particularly in metros and large cities.
SERC shall provide SAIFI and SAIDI trajectories for the cities.
SERC may consider Reliability Charge for DISCOMs in case infrastructure upgradation is required for ensuring power supply reliability.
SERC shall make provisions for penalty in case standards are not met by DISCOMs.
- Consumers for whom DG sets are essential for back-up power, shall endeavour to shift to clean sources *i.e.*, RE with battery storage etc., within 5 years from date of publication of the amendment, or as per timelines set by SERC for such replacement based on supply reliability of the DISCOMs.
- To avoid usage of DG sets for temporary activities, supply procedure for construction or other temporary usage shall be simplified and given on an urgent basis within 48 hrs. of application. Prepaid meter will be used for temporary supply.

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

CER Opinion

1. The supply code and standards of performance have been specified by the SERCs and these differ across states due to the existing state of the distribution network, consumer mix, terrain, vintage of the distribution system etc. whereas proposed amendment to the Rules in general seem to apply to all states under all conditions. Rules should provide for flexibility - for e.g. provision of 48 hour limit for temporary supply.
2. **Classification of Metros and Large Cities:** In Rule (10(3)), *“In view of the increasing pollution level particularly in the metros and the large cities ...”*, An existing definition for urban conglomerations (metro/city etc) as applicable may be used for the purpose for implementation of the provision regarding shift from DG backup.
3. **Mandated 24x7 Reliability of Supply:** Rule (10(3)) provides for mandatory 24x7 power supply to all consumers. At the same time, it also provides for specification of limits for SAIFI and SAIDI indicators of supply interruptions *i.e.* the ‘mandated’ 24x7 power supply condition may be ‘violated’. Furthermore, 24x7 supply to all consumers cannot be mandated due to operational constraints (controllable to a large extent) for the distribution system, as well as supply interruptions/ constraints across the power system (largely uncontrollable for the distribution utility). Criteria with reference to availability of the distribution network would be more suitable.

The applicable SAIFI and SAIDI limits, to be specified by the respective SERCs, should be applicable to **a consumer** rather than **per consumer** (i.e. Average) basis. SERCs may also like to consider additional/alternate indicators of reliability of supply (for example, Consumer Average Interruption Frequency and Duration Indexes (CAIFI & CAIDI), Momentary Average Interruption Frequency Indexes (MAIFI)).

4. In Rule (10(3)), “*The State Commission shall also make a provision of penalty in case the standards laid down are not met by the distribution company.*” may be rewritten as “The State Commission shall also make a provision of penalty in case the **specified standards for supply reliability (SAIFI, SAIDI etc.)** are not met by the distribution company.’
5. **Time Limit for Temporary Supply Connection:** In Rule (10(5)), the time limit of 48 hours for temporary supply connection may not be feasible in case of the need for grid extension/ required capital expenditure particularly for giving temporary connection for greenfield project sites in hilly areas.
6. Rule (10(4)) seems to be a wishful statement as the words “endeavor to” is used for the consumers to shift to RE sources of power backup and a time limit of 5 years is provided along with it, also an option is given for the SERC to give an alternate timeline. It is recommended that the word “endeavor to” might be removed from the Rule and a definite timeline (5 years or as deemed appropriate) may be provided by the SERC for shifting to RE sources from DG sets as essential backup power.