



# BIHAR ELECTRICITY REGULATORY COMMISSION

VidyutBhawan-II, J.L.NehruMarg, Patna 800 021

## Case No. 01/2017

**Present :**

1. **Shri Rajeev Amit - Member**
2. **Shri R. K. Choudhary - Member**

**South Bihar Power Distribution Company Limited  
and North Bihar Power Distribution Company Limited ... Petitioners**

**In the matter of proposal of the petitioners for amendment in policy for grant of instalment facility for the recovery of dues/arrears from the consumers as per clause 10.13 of the Bihar Electricity Supply Code 2007.**

## **APPEARANCE**

1.	Shri Purushottam Prasad, EEE (Com.)	On behalf of South Bihar Power Distribution Co. Ltd. (SBPDCL)
2.	Smt. Julie Kumari AEE (Com.)	
3.	Shri Anup Kumar Sr. Manager Revenue	
4.	Shri Himanshu, Revenue Officer (Com.)	On behalf of North Bihar Power Distribution Co. Ltd. (NBPDC)
5.	Shri Krishna Kumar Agrawal.	On behalf of Bihar Chamber of Commerce

**Dated of Hearing:- 06.06.2017**

## **Order**

**Patna, Dated:-14 .06.2017**

### **Background:-**

1. On behalf of petitioners a petition for amendment for approval of policy for instalment of arrears under clause 10.13 of the Bihar Electricity Supply Code 2007 was filed before the Commission on 20.01.2017. The petition was registered and numbered as case no.-01/2017 and fixed for hearing on admission matter by the Commission. In course of hearing on 25.04.2017, the Commission observed that consumers categories had already been rationalised in the Tariff Order for FY 2017-18 passed on 24.03.2017 in case no. 45/2016 and 46/2014. Whereas in the instant petition some of the old categories of consumers are mentioned which no longer exist.

Therefore, the Commission directed the petitioner to rectify the proposal and file a supplementary/revised petition before next date of hearing.

**2.** In the light of the Commission's observations, petitioners filed a revised petition for amendment in policy for instalments of arrears under clause 10.13 of the Bihar Electricity Supply Code 2007 through a letter no. 476 dt. 05.05.2017 under the signature of Shri Narendra Kumar, Chief Eng. (Com.) SBPDCL. The matter was heard and the Commission admitted the petition and fixed the case for hearing directing to invite Comments/Suggestions/Objections of the General Public and Stake Holders. Commission also directed the petitioner to issue public notice in three daily news papers, two in Hindi & one in English having wide circulation and also directed to upload the petitions on the website of the SBPDCL, NBPDCCL as well as the Commission. The matter was finally heard on 06.06.2017.

### **3. Submission of the Petitioner**

The Petitioners in its revised petition have submitted:

**3.1** That there is a provision in Bihar Electricity Supply Code 2007 that the recovery of the arrear from consumers in instalment may be done, subject to the approval of the Hon'ble Commission over such policy as per as 10.13 of the code, which states as follows:-

*"The Licensee shall lay down a policy for grant of instalment facility for the purpose of recovery of dues subject to approval of the Commission. The said policy shall also designate the officer(s) authorized to grant instalment facility.*

*In case of grant of instalment, interest at the rate of equal to D.P.S./month on arrear shall be charged. However rebate for timely payment of current bill shall be allowed."*

**3.2** Previously DISCOMS, NBPDCCL & SBPDCL had filed petition for granting instalment for recovery of dues from the consumers, Accordingly Hon'ble Commission passed the order in case no. 02 & 05/2014 dt. 10.11.2014 for KJ, DS, NDS & LTIS consumers and order dt. 24.06.2015 in case no. 21/2015 for HT, RT, IAS & SS consumers.

**3.3** To simplify and ease the process of the granting instalments, NBPDCCL & SBPDCL have proposed to modify and amend the instalment policy.

**3.4.1** NBPDCCL & SBPDCL have proposed amendment in the instalment policy as under:

- a) Consumer may be allowed for payment of Electricity Bill in instalments if the quantum of bill has accumulated for the amount as indicated in the following table:-

<b>Sl. No.</b>	<b>Category of consumers</b>	<b>Minimum amount of arrear bill for consideration of payment in instalment</b>
1	Kutir Jyoti (KJ) (Urban & Rural)	Rs. 500/-
2	Domestic Service (DS)-I, Non Domestic Service (NDS)-I	Rs. 1,000/-
3	Domestic Service (DS)-II, Non Domestic Service (NDS)-II	Rs. 5,000/-
4	a) Low Tension Industrial Service (LTIS)-I b) Low Tension Industrial Service (LTIS)-II	Rs. 20,000/- Rs. 50,000/-
5	Agriculture (IAS-I & IAS-II)	Rs. 5,000/-
6	Street Light (SS metered & SS unmetered)	Rs. 5,000/-
7	High Tension Consumers (HTS-I, HTS-II, HTS-III, HTS-IV, HTSS & RTS).	Rs. 1,00,000/-

- b) Any LT consumer whose line is running and exercises option of payment of arrear in instalment shall have to deposit minimum 25% of total arrear or 50% of the amount indicated in the above table whichever is lower as 1st instalment along with the amount of the current monthly bill and the balance arrear may be paid in maximum twelve (12) monthly equal instalments along with the current bill and interest on arrear amount at the rate of Delay Payment Surcharge on reducing basis till entire arrear is paid. However, if the amount of 2nd and onward instalments comes more than the amount of 1st instalment the number of instalment may be increased beyond twelve instalments restricting the amount of such instalment not more than 1st instalment.
- (ii) Any HT consumer whose line is running and exercises option of payment of arrear in instalment shall have to deposit minimum 25% of total arrear as 1st instalment along with the amount of the current monthly bill and the balance arrear may be paid in maximum six (6) monthly equal instalments along with the current bill and interest on arrear amount at the rate of Delay Payment Surcharge on reducing basis till entire arrear is paid.

(c) The designated officer to grant the instalment may be as indicated below:-

(i) For LT consumers:-

<b>Sl. No.</b>	<b>Name of Officer empowered to grant instalment of consumers within their territory</b>	<b>Amount of arrear</b>
1	Asst. Electrical Engineer of Electric Supply Sub-division, Assistant Electrical Engineer (Revenue) of Electric Supply Division	Upto Rs. 10,000/-
2	Electrical Executive Engineer, Electric Supply Division	Rs. 50,000/-
3	Electrical Superintending Engineer, Electric Supply Circle	Full power
4	G.M. (Revenue)/Director (Finance)/M.D.	Full power

(ii) For HT/RT consumers:-

<b>Sl. No.</b>	<b>Name of Officer empowered to grant instalment of consumers within their territory</b>	<b>Amount of arrear</b>
1	C.E. (Commercial/ G.M. (Revenue)	Upto Rs. 25,00,000/-
2	Director (Finance)/M.D. of the Licensee	Full power

(d) Other provisions under Sl. No.-4.2, 4.4, 4.5 and 4.6 of Hon'ble Commission order in Case No.-02/2014 and 5/2014 on dated 10.11.2014 which is reproduced hereunder is to be made applicable for all category of consumers:-

**3.4.2** *"The applicant shall submit his application with all details along with copy of latest electricity bill to the designated office who is empowered to grant the instalment by speed post or hand delivery under proper receipt and the designated office shall approve the proposal within ten days or reject the proposal recoding the reasons for rejection and communicate to the consumers."*

**3.4.4** *"A consumer whose line is disconnected shall have to pay 30% of total arrear amount along with applicable reconnection charges as first instalment and rest in maximum up to five monthly instalments."*

**3.4.5** *"The interest on unpaid amount of arrear shall be equal to the Delayed Payment Surcharge (DPS) as specified in the prevalent tariff order."*

**3.4.6** *"The licensee shall prepare a chart for payment to be made by the consumer indicating the amount and date by which the payment has to be made by the consumer and hand over the approved chart to the consumer."*

*The payment of 1st instalment shall be made within seven days of the handing over the chart to the consumer."*

(e) In Sl. No. 4.4 above the "reconnection charges" be replaced with "disconnection charges and reconnection charges".

(f) The DISCOMS NBPDCCL & SBPDCL prayed to grant regulatory approval to the proposed amendments.

**4. Comments/Suggestions/Objections of the Stake Holders:-**

The Commission has received two written suggestions, one from unnamed consumer of Ansarnagar of District Nawada and another from Shri Rajdeo Tiwari of Vill-Khalgawn Bhore of District Gopalganj wherein the first objector has been in support of the proposal and the second objector has objected the proposal on an irrelevant point.

**5. Hearing**

The matter was heard finally on 06.06.2017 Shri Krishna Kumar Agrawal representing Bihar Chamber of Commerce appeared in the hearing and submitted that Bihar Chamber of Commerce has no objection with the proposed amendment in the tariff policy under clause 10.13 Bihar Electricity Supply Code 2007.

The petitioners representatives submitting clarification/amendments in their proposals vide CE (Com.) SBPDCL letter no. 602 dt. 05.06.2017 made assertion that the present petition is in the interest of consumers as well as the DISCOMS in realising the arrears fallen due against the consumers. It is in the larger interest of the consumers, who are unable to pay the entire arrear amount at a time. There is a provision in clause 10.13 Bihar Electricity Supply Code 2007 to realise the arrear amount in instalments and for making any amendment or addition in the policy of instalment of arrears as per clause 10.13 Bihar Electricity Supply Code 2007, the approval of Commission is required and for this reason the petitioners have come before the Hon'ble Commission to seek approval.

After hearing the parties, the case was reserved for order.

**6. Commission's Observation**

**6.1** In the light of submissions advanced by the parties and the materials available on record and after going through the proposed amendment and the existing provision under clause 10.13 Bihar Electricity Supply Code 2007, it appears that the proposed amendment is in the larger interest of the consumers as well as of the DISCOMS. By way of proposed amendment the DISCOMS are intended to give some liberty by raising the number of instalment in payment of arrear by the consumers.

**6.2** In reply of the query raised by the Commissions it has also been clarified by the DISCOMS that as the Government consumes are billed at par with the general consumers hence they should also be provided facility of instalments at par with general consumers. Accordingly they have requested for inclusion of PWW category

under clause 4 (a) of the proposed petition with minimum arrear amount Rs. 50,000/- further they have requested the following:-

Clause 4 (c) (i) related to designated officer may be amended as under:-For LT consumers.

<b>Sl. No.</b>	<b>Name of Officer empowered to grant instalment of consumers within their territory</b>	<b>Amount of arrear</b>
1	AEE of Electric Supply Sub-division, AEE (Revenue) of Electric Supply Division	Upto Rs. 10000/-
2	Electrical Executive Engineer, Electric Supply Division	Rs. 50,000/-
3	Electrical Superintending Engineer, Electric Supply Circle	Rs. 5,00000/-
4	G.M. (Revenue)/Director (Finance)/M.D.	Full power

The number of instalments will depend upon the amount of arrear. The condition may be written as under:-

- i) Amount of 1<sup>st</sup> instalment will be 25% of total arrear along with amount of current monthly bill.
- ii) Amount of 2<sup>nd</sup> instalment will be balance amount of arrear/12 (twelve) for LT Consumers & 6 (six) for HT Consumers along with current amount of bill and DPS on deducting amount and so on for rest instalments.

**6.3** After careful consideration and judging pros and cons of the proposed amendments, Commission is of the view that the proposed amendment along with subsequent clarification furnished vide letter no. 46 dated 05.06.2017 should be approved as given in the subsequent para in suppression of Commission order dated 10.11.2014 in case no. 02 and 05/2014 and order dated 24.06.2015 in case no. 21/2015, since it is beneficial to the consumers as well as to the DISCOMS with respect to the payment/realisation of the arrear.

## **7. Approval of the Commission**

**7.1** Consumers shall be allowed for payment of electricity bill in instalment if the quantum of bill has accumulated for the amount as detailed below:-

<b>Sl. No.</b>	<b>Category of consumers</b>	<b>Minimum amount of arrear bill for consideration of payment in instalment</b>
1	Kutir Jyoti (KJ) (Urban & Rural)	Rs. 500/-
2	Domestic Service (DS)-I, Non Domestic Service (NDS)-I	Rs. 1,000/-
3	Domestic Service (DS)-II, Non Domestic Service (NDS)-II	Rs. 5,000/-
4	a) Low Tension Industrial Service (LTIS)-I b) Low Tension Industrial Service (LTIS)-II & PWW	Rs. 20,000/- Rs. 50,000/-
5	Agriculture (IAS-I & IAS-II)	Rs. 5,000/-
6	Street Light (SS) (metered & unmetered)	Rs. 5,000/-
7	High Tension Consumers (HTS-I, HTS-II, HTS-III, HTS-IV, HTSS & RTS).	Rs. 1,00,000/-

**7.2.** The designated officer to grant instalment shall be as under:-

(i) For LT Consumers

<b>Sl No</b>	<b>Name of Officer empowered to grant instalment of consumers within their territory</b>	<b>Amount of arrear</b>
1	Asst. Electrical Engineer of Electric Supply Sub-division, Assistant Electrical Engineer (Revenue) of Electric Supply Division	Upto Rs. 10,000/-
2	Electrical Executive Engineer, Electric Supply Division	Rs. 50,000/-
3	Electrical Superintending Engineer, Electric Supply Circle	Rs. 5,00,000/-
4	G.M. (Revenue)/Director (Finance)/M.D.	Full power

(ii) For HT/RT consumers:-

<b>Sl. No.</b>	<b>Name of Officer empowered to grant instalment of consumers within their territory</b>	<b>Amount of arrear</b>
1	C.E. (Commercial/ G.M. (Revenue)	Upto Rs. 25,00,000/-
2	Director (Finance)/M.D. of the Licensee	Full power

**7.3** The applicant shall submit his application with all details along with copy of latest electricity bill to the designated officer who is empowered to grant the instalment by speed post or hand delivery under proper receipt and the designated officer shall approve the proposal within ten days or reject the proposal recording the reasons for rejection and communicate to the consumer.

**7.4** Any consumer whose line is running and exercises option for payment of arrear in instalment shall have to deposit minimum 25% of the total arrear as 1<sup>st</sup> instalment along with the amount of the current monthly bill and the balance arrear may be paid in maximum twelve monthly equal instalments in case of LT connection or six monthly equal instalments in case of HT connection along with the current bill and interest on arrear amounts at the rate of Delayed Payment Surcharge as specified in the prevalent tariff order on reducing balance basis till entire arrear is paid.

**7.5** A consumer whose line is disconnected and opt for reconnection, exercising option for payment of arrear in instalment shall have to deposit minimum 30% of total arrear amount along with applicable disconnection and reconnection charges as first instalment and the balance arrear may be paid in maximum five monthly equal instalments along with the current bill and interest on arrear amount at the rate of Delayed Payment Surcharge as specified in prevalent tariff order on reducing balance basis till entire amount is paid.

**7.6** The licensee shall prepare a chart in the format as specified in Annexure-A for payment to be made by the consumer indicating the amount and date by which the payment has to be made by the consumer and hand over the approved chart to the consumer.

The payment of 1<sup>st</sup> instalment shall be made within seven days of the handing over the chart to the consumer.

**7.7** The approved policy may be implemented from the date it is published as notice in newspapers for public by the petitioners and also place on the website of petitioner licensees.

**ANNEXURE-A**

**PAYMENT CHART**

Name of the Electric Supply Division .....

Amount of arrear .....Rs. ....

Consumer No. and address.....

Category of Consumers .....

<b>Sl. No.</b>	<b>No. of Instalment</b>	<b>Amount of Arrear (Rs.)</b>	<b>Amount of Interest (Rs.)</b>	<b>Amount of Current bill (Rs.)</b>	<b>Total Amount (Rs.)</b>	<b>Date of Payment (Rs.)</b>
1.	1 <sup>st</sup> Instalment					
2.	2 <sup>nd</sup> Instalment					
3.	3 <sup>rd</sup> Instalment					
4.	4 <sup>th</sup> Instalment					
5.	5 <sup>th</sup> Instalment					
6.	6 <sup>th</sup> Instalment					

Received the approved chart

Approved the chart

.....  
(Name and Signature of the Consumer)

.....  
(Name and Signature of the Authority)

Inform the parties concerned.

**Sd/-**  
**(R.K. Choudhary)**  
**Member**

**Sd/-**  
**(Rajeev Amit)**  
**Member**