



CURRENT NEWS

மின் செய்திகள்

VOLUME IX, ISSUE 4 • APRIL 2024



AN OVERVIEW OF THE TRIPURA STATE ELECTRICITY CORPORATION LIMITED (TSECL) CONSUMER GRIEVANCE REDRESSAL FORUM (PART- 1)

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The Electricity Act, 2003 (Act) was introduced in India to transform the power sector. Beginning with the dismantling of State Electricity Boards into separate entities - generation, transmission, and distribution, the key objectives included promoting industry growth, encouraging private sector participation in the industry, competition, transparent subsidy programs and consumer protection. Before this Act, the Indian electricity sector operated under various older laws, including the Indian Electricity Act, 1910, the Electricity (Supply) Act, 1948, and the Electricity Regulatory Commission Act, 1998.

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Electricity Act 2003 provision: The Electricity Act, 2003 (referred to as the Act hereafter) focused on consumer protection by granting powers to the State Electricity Regulatory Commissions to establish regulations to safeguard consumers from the distribution licensee. According to Section 42(5) of the Act, the distribution licensee (Discom) is obligated to establish a forum to address consumer grievances. Such a forum is called the 'Consumer Grievance Redressal Forum' (CGRF) for aggrieved consumers to file complaints. Further, if consumers feel dissatisfied with the CGRF order, they can approach the office of 'The Electricity Ombudsman' with an appeal against CGRF's order.

Protecting consumers through a forum: According to Section 181, Subsection 2 (r) of the Act, the State Commission's power to make regulations, enables discoms to adhere to the guidelines for CGRF. In line with this, the State Commission formulates regulations explaining CGRF structure, jurisdiction, grievance filing procedure, and grievance handling mechanisms.

Tripura electricity sector: Prior to the Act, Tripura's state electricity was managed, operated and monitored by the Department of Power, Government of Tripura. After implementing the Act, Tripura established different companies - Tripura Power Generation Limited (TPGL), Tripura Power Transmission Limited (TPTL) and Tripura State Electricity Corporation Limited (TSECL).

Tripura State Electricity Corporation Limited (TSECL): TSECL, a distribution company (Discom), was established in 2005. TSECL's main objective is to render quality service by supplying reliable, seamless and good-quality electricity at an affordable cost to consumers. As a service provider, it is also responsible for resolving consumer grievances. TSECL distributes electricity in 9 electrical circles comprising 23 electrical divisions.

Grievance Redressal Mechanism in Tripura: TSECL has constituted its Consumer Grievance Redressal Forum (CGRF) with a 3-tier redressal system. This is in keeping with Consumer Grievance Redressal Forums present in Tamil Nadu, Maharashtra, Karnataka, and Kerala DISCOMs.

The three tier system was started as per the TERC, CGRF Regulations 2005. According to the 2005 Regulations, the CGRF is operated by Grievance Redressal officers in each tier such as:

- Deputy General Manager (Grievance Redressal Officer - Tier 1) situated in the electrical division.
- Additional General Manager (Grievance Redressal Officer - Tier 2) situated in the electrical Circle.
- General Manager (Grievance Redressal Officer - Tier 3) situated in the Headquarters.

Introduction of Consumer Grievance Redressal Forum Regulations, 2020:

In 2020, TERC introduced new regulations for the CGRF forum superseding the 2005 regulation, which was generally considered a cumbersome process for the consumer. The new regulation elaborated on the three-member composition in the grievance redressal mechanism. The introduction of the three-member forum enhanced the transparency and trustworthiness of the DISCOM, also helping consumers to resolve their grievances smoothly.

Three-member composition of the forum is as follows: Chairperson, technical member and independent member. The chairperson and technical member are appointed by DISCOM, whereas the independent member is appointed by TERC.

- Chairperson, who is a retired judicial officer or retired deputy collector or retired superintending engineer of DISCOM having a minimum of 10 years of experience
- Technical member, who has 10 years of experience in the electricity supply or finance and is in the rank of an executive engineer of DISCOM.
- Independent member, who is a member of a non-governmental organization (NGO)/society/consumer organisations with at least 5 years of experience in consumer protection and consumer-related matters.

(To be continued)

TAKING STOCK OF THE FINANCIAL ASSISTANCE OPTIONS FOR RESIDENTIAL ROOFTOP SOLAR INSTALLATION IN INDIA (PART - 2)

B. VANATHI

The previous part of the article detailed the current Central Financial Assistance (CFA) offered by the Indian government for residential Rooftop Solar (RTS) installation. This part elaborates on solar loans and explores why our country's financial incentives fail to attract the public.

Solar loans - the next financial enabler: As explained in the previous section, not everyone will be able to afford the upfront cost of RTS installation even after receiving the CFA/subsidy benefit. Under such circumstances, individuals have the option to explore solar loans provided by financial institutions. These loans can help bridge the gap between the subsidy amount and the total installation cost, allowing them to proceed with installing solar panels in their homes.

Bank loans: Renewable energy is a priority sector category to which loans must be extended by the banks in India according to the Reserve Bank of India (Priority Sector Lending (PSL) - Targets and Classification) Directions (Updated as on July 27, 2023). Under category 7 - renewable energy of the PSL Directions, banks finance rooftop solar for customers owning unencumbered independent houses or for those who have taken housing loans from their banks. The actual terms and conditions of the loans, including the requirement of collateral security vary among different banks depending on factors like the exposure of banks to the sector, borrower creditworthiness, risk perception, etc.

According to the National Portal, bank loans for RTS have maximum loan limit, maximum loan tenure, Net Interest and rate to customer (% p.a.). Rooftop solar schemes, solar loans, housing loans, housing cum solar loans and home improvement loans are the common categories under which banks offer RTS loans. For example, one bank might offer this under the standalone category as RTS/solar loans, while another under the composite category (along with a home/housing loan).

Non-banking Financial Companies (NBFCs) financing: Non-banking financial companies (NBFCs) provide financing options for solar power systems through Equated Monthly Installments (EMI). Some NBFCs act as green financing agencies that exclusively fund renewable projects and clean energy technologies, including rooftop solar installations.

It is common these days for solar vendors to collaborate with financial institutions to make it easier for their customers to access financing support. As a guiding measure, information on solar loans is also provided on the National Portal for RTS.

So, where lies the issue?

The Indian government has enabled the Surya Ghar unified portal to apply for and stay informed about the policy provisions of residential rooftop solar. However, this portal is not sufficient on its own. There are other existing issues that need to be addressed, such as the following:

Clarity constraints: People rely on government information sources to access reliable and trustworthy data. In this context, it is crucial for the government to provide high-quality and easily accessible information to the public. Ideally, any governmental scheme should be well-defined and citizen-centric, prioritising the welfare of the people. Once launched, it should not be frequently altered unless necessary.

However, the current CFA scheme – PM Surya Ghar: Muft Bijli Yojana – does not adhere to these principles. Originally announced in January 2024 as the 'Pradhanmantri Suryodaya Yojana,' it was later launched in February 2024 under the name 'PM Surya Ghar Muft Bijli Yojana'. Doubts arose then about whether both were two different schemes or one. Furthermore, the vague assurance of 'free electricity' in its objective ('the project aims to light up 1 crore households by providing up to 300 units of free electricity every month') confuses many even now. A clarification from the Ministry of Power via the Hindu a month after the scheme's launch that the free component implies a reduction in electricity bills for households that install RTS under this scheme did not reach all. All this only led to scepticism among the important stakeholders – the vendors and potential beneficiaries.

Hence such haphazardness and lack of clarity should be avoided as they could deter people from the scheme.

Absence of informed, trained and adequate human resources: Though the financial assistance options are available on the national portal as well as on the websites of banks and NBFCs, not all Indians are digitally literate enough to access them. People commonly reach out to their Distribution Companies (DISCOMs) or visit local Electricity Board offices and banks to inquire about the available financial assistance options. During our research for this article, it became evident that many bankers and even EB officials have little or poor awareness and exposure regarding the subsidy and loan mechanisms. Since these officials are the ones whom the common people approach for information, it is essential to seriously focus on capacity-building within these responsible agencies to equip them. Furthermore, as per the response from the Reserve Bank of India (RBI) to our filed RTI regarding RTS under PSL, the RBI does not possess any information regarding the dissemination of knowledge about solar loans to bankers. Conversely, consistent monitoring by the nodal agencies will help ensure that the necessary information and updates are readily available in the local and nodal offices along with prompt assistance from officials to potential beneficiaries.

Subsidy - the indispensable enabler: "RTS is not cheap unless subsidised", said a prosumer whose apartment complex has a RTS system installed to generate electricity for their common area purposes. For low and middle-income households, the financial benefits of solar power can make a big difference. Moreover, considering the rate of interest and EMI/ repayment liability, not all can take bank or NBFC loans. Hence, the benchmark cost against which the governmental subsidies are fixed must be set in such a way keeping in mind the actual total cost of RTS setup borne by a consumer which includes the cost of accessories, transportation, installation and service charges.

Until the efficiency of solar technologies increases to make them affordable for all, governmental support measures/interventions like subsidies are important and have a greater role to play in improving public participation. When there is a greater demand for solar photovoltaic (PV) technologies due to subsidies, more producers and vendors are likely to enter the market, leading to increased competition and supply. This competition could potentially lead to lower prices as companies strive to attract customers.

Need for accelerated public awareness and monitoring: Given the low awareness even among authorities, poor uptake among the general population is not surprising. Educating the public via awareness campaigns, workshops, outreach and capacity-building programs must happen extensively to empower people as informed stakeholders and beneficiaries of RTS and thereby as important partakers in India's clean energy transition.

To sum up, the solution for effectuating widespread utilisation of financial assistance options contributing to inclusive RTS adoption and transition to clean energy nationwide lies in providing substantial subsidies, accelerating capacity building for all stakeholders along with stringent monitoring at every level of implementation.

(Concluded)

CONSUMER FOCUS

The petitioner's domestic service connection was assessed on July 16, 2023, and the due date for paying the electricity bill was August 05, 2023. On August 08, 2023, TANGEDCO disconnected the service connection due to non-payment of the electricity bill. The petitioner submitted that TANGEDCO did not provide any prior information or notice before disconnecting the service connection. According to Section 56 of the Electricity Act, 2003 (Disconnection of supply in default of payment), a 15-day written notice period should be given to the consumer before disconnection. The petitioner claimed that TANGEDCO did not adhere to this requirement by not providing a notice before the disconnection.

The petitioner also argued that TANGEDCO should have disconnected the service connection at his premises, rather than the overhead supply at the main pole. According to the petitioner, the overhead supply should only be disconnected for non-payment of dues, electricity theft, or consumer requests for permanent disconnection. Since non-payment of bills did not come under these criteria, the petitioner objected to the method used by TANGEDCO. The petitioner therefore sought a compensation of Rs. 5 lakhs for not adhering to the standards outlined in the Distribution Standards of Performance Regulation, 2004. Subsequently, the petitioner complained to the CGRF, challenging TANGEDCO for not adhering to the rules outlined in the Electricity Act, 2003.

During the hearing, TANGEDCO officials stated that the lineman had visited the petitioner's premises three times before disconnecting the power supply. Initially, a call was made from the local section office to the petitioner's registered mobile number, but it was not answered. Subsequently, the lineman visited the house twice on consecutive days, but there was no response as the house was locked. Therefore, the lineman disconnected the petitioner's service connection from the main pole (overhead supply). TANGEDCO stated that "as per Tamil Nadu Electricity Supply Code, 2004 Clause 14 (1)(A) - TANGEDCO officials are entitled to disconnect services without further intimation if a consumer defaults payment beyond the due date". This piece of information is also mentioned in the consumer's white meter card.

TANGEDCO confirmed that the petitioner paid the dues on the night of August 8, 2023. Additionally, TANGEDCO officials explained that the service connection was not reconnected on the same day due to safety regulations prohibiting reconnection at night. Therefore, the reconnection process took place the following morning (August 9, 2023). An automated SMS detailing the service reconnection was sent to the petitioner's registered mobile number, and this was confirmed by the petitioner.

The forum issued an order stating the respondent followed clauses for disconnection and reconnection of TNE Supply Code 2004. Hence there is no violation and compensation cannot be awarded. Dissatisfied with the CGRF's order, the petitioner appealed to the Electricity Ombudsman. The Electricity Ombudsman observed the following:

- When a consumer applies for a new service connection, the consumer and the distribution licensee enter into an agreement. The Low Tension Agreement Form-I,
- Sl. no.12, states that "the consumer should pay tariff/ minimum rates/fixed charges/ surcharge to the Licensee i.e., the respondent without fail".
- Regulation 2(h) of the TNE Supply Code 2004 explicitly defines the "Consumer Meter Card". The meter card shall also serve the purpose of a notice to the consumer of the due dates for payment and the notice period for disconnection.
- Regulation 14 (1) (a) of the TNE Supply Code 2004 states that "for Low Tension services, the due date shall be not less than 5 days from the date of entry in the consumer meter card and 15 days clear notice period shall be allowed before disconnection for non-payment".
- Regulation 14 (2) of the TNE Supply Code 2004 informs the consumer that " the printed notice period in the consumer meter card shall be read as the notice to the consumer for paying the dues"
- Regulation 21 of the TNE Supply Code 2004 clearly states that the service connection of the consumer who is in default of payment of current consumption charges is liable to be disconnected after the notice period specified in the consumer meter card.

Based on the Electricity Ombudsman's findings, it was noted that TANGEDCO's disconnection policy is under the TNE Supply Code 2004. Since the petitioner did not pay the electricity bill by the due date, TANGEDCO's action is considered valid. Furthermore, according to the Distribution Standards of Performance Regulations 2004, there is no opportunity for compensation in the petitioner's case.

SOURCE: [OMBUDSMAN CASE](#)

NEWS FROM **TAMIL NADU**

Tangedco told to stop collecting higher development charges

With complaints pouring in over the collection of higher development charges meant for underground cables from the applicants seeking overhead lines, the Tamil Nadu Electricity Regulatory Commission (TNERC) has directed the Tamil Nadu Generation and Distribution Corporation (Tangedco) to immediately stop the practice and refund the collected excess amount to the affected consumers.

In a letter to the Tangedco managing director, the commission said the Tangedco portal was programmed to collect higher development charges applicable for underground cable from all applicants without verifying if they had opted for an overhead line.

"The software should be corrected accordingly with immediate effect and no further collection of development charges is permitted with the existing arrangements. The extra development charges collected should be refunded to the consumers immediately or treated as advance consumption charges and reported to the commission," it said.

SOURCE: [THE TIMES OF INDIA](#), 07 APRIL 2024

NEWS FROM ACROSS THE **COUNTRY**

Government takes measures to operationalize Gas-based Power Plants to help meet Summer Electricity Demand

In order to help meet the high electricity demand in the country during the summer season, the Government of India has decided to operationalize gas-based power plants. To ensure maximum power generation from Gas-Based Generating Stations, the Government has issued directions to all Gas-Based Generating Stations under Section 11 of the Electricity Act, 2003 (under which the appropriate government may specify that a generating company shall, in extraordinary circumstances operate and maintain any generating station in accordance with the directions of that Government).

A significant portion of the Gas-Based Generating Stations (GBSs) is currently unutilized, primarily due to commercial considerations. The order under Section 11, which is on similar lines as done for imported-coal-based power plants, aims to optimise the availability of power from Gas-Based Generating Stations during the ensuing high demand period. The order shall remain valid for generation and supply of power from May 1, 2024 to June 30, 2024.

GRID-INDIA to inform Gas-based Generating Stations of Power Requirement: As per the arrangement, GRID-INDIA will inform the Gas-based Generating Stations in advance, of the number of days for which Gas-based power is required. Gas-Based Generating Stations holding Power Purchase Agreements (PPAs) with Distribution Licensees shall first offer their power to PPA holders. If the power offered is not utilised by any PPA holder, then it shall be offered in the power market. Gas-Based Generating Stations not tied to PPAs must offer their generation in the power market. A high-level committee headed by Chairperson, Central Electricity Authority has been constituted to facilitate the implementation of this direction.

SOURCE: [PIB](#), 13 APRIL 2024

WORLD NEWS

Southeast Asia needs to accelerate renewable energy transition: Experts

South-east Asia has to speed up in building its renewable energy capacities in order to hit the region's net-zero targets, experts said on April 4.

The region's annual renewable capacity additions have to increase by seven to 12 times for solar and onshore wind power, as compared with the region's annual average from 2018 to 2021, said McKinsey & Company senior partner Vishal Agarwal at an event to discuss a report on South-east Asia's transition to renewables.

The report was published by the Economic Development Board (EDB) and led by McKinsey, with Mr Agarwal as one of its co-authors. It was launched at 2023's United Nations climate change conference, or COP28.

"It is important for South-east Asia to move more aggressively on the topic of renewables," he said, noting that the region currently makes up about 5 per cent of global emissions. This is expected to double to 10 per cent by 2050, not because the region is increasing its carbon emissions, but because it is not decarbonising fast enough, he added.

The report noted that South-east Asia significantly lags behind other regions' markets, because it only recently started adding renewables capacity at scale.

The region has also historically capitalised on coal and gas to produce cheap power from subsidised fossil fuels, the report added. There are efforts to retire these coal power plants early, but the transition will still take time to take effect.

SOURCE: [ASIA NEWS NETWORK](#), 5 APRIL 2024



PUBLICATIONS

- Indian States' Electricity Transition (SET): 2024, [EMBER & IEEFA](#)
- Global EV Outlook 2024, [IEA](#)
- April 2024 Newsletter, [Energy Efficiency Services Limited](#)
- Public Finance for Universal Energy Access, [IRENA](#)

TOP 5 STATES WITH RENEWABLE GENERATION (AS ON 31ST MARCH 2024)



SOURCE: NITI AAYOG

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