



**C A G**  
Citizen consumer and civic Action Group

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The Chairperson  
Tamil Nadu Electricity Regulatory Commission  
No 19A, Rukmini Lakshmiipathy Salai,  
Egmore, Chennai - 600 008.

Dear Sir

**Subject: Comments to draft amendments to Distribution Code, Supply Code, Distribution standards of performance, Consumer Grievance Redressal Forum and Electricity Ombudsman regulations**

Greetings from CAG!

Citizen consumer and civic Action Group (CAG) is a 37-year-old non-profit, non-political, professional organisation working towards citizen's rights in consumer and environmental issues and promoting good governance including transparency, accountability and participatory decision making.

CAG has been working on various issues pertaining to enhancing the quality of participation of consumers in the electricity sector for the past two decades. CAG is serving on the State Advisory Committee (SAC) of Tamil Nadu Electricity Regulatory Commission (TNERC). We are presently members of the Consumer Grievance Redressal Forum (CGRF) and Code Review Panel (CRP) in Tamil Nadu Generation and Distribution Company Limited (TANGEDCO).

#### **General comments**

A. The Commission should have published an explanatory note along with conducting public hearings to ensure consumer participation in these decisions concerning them. These regulations of a technical nature are passed without any citizen engagement. It is quintessential to bring in changes in the amendment process to release an easily understandable note to enable interested citizens to voice their concerns.

B. It is important to provide appropriate data to support the necessity of these amendments, for example:

- a. Amendment 11 b of the Supply Code states that Payment for amounts exceeding Rs.1000/- (Rupees one thousand only) is preferred by DD / Cheque/ online payment .

Data on the number of domestic consumers who are paying a bill higher than Rs. 1000 should be provided to prove the necessity of this change.

It is submitted that no data available provided to give feedback to understand if the proposition is viable or not. For example, if TANGEDCO provides data that over 90% of the consumer are now paying online, then the proposition of Rs. 1000/- would appear viable. Otherwise, it will lead to hardship among consumers if only say 20% of the population pay online. It is of utmost importance that such regulations are backed by data to ensure proper decision making.

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#### **Trustees**

Dr. George Thomas (Orthopaedic Surgeon)  
Dr. R. Hema (Associate Professor)

Dr. C. Rammanohar Reddy (Economist and Editor)  
Mr. Sriram Panchu (Senior Advocate)  
Dr. Suchitra Ramkumar (Doctor and Teacher)

#### **Advisors**

Ms. Tara Murali (Architect)  
Mr. N.L.Rajah (Senior Advocate)



- C. It is submitted that mediation/conciliation be developed within TANGEDCO to allow for a quicker and easier remedy for the consumer and the utility. The regulations must allow for a compromise between the parties. By adding more processes and requirements, it is increasing the burden of regulation more not only on the consumers but also on the utility.
- D. Certain regulations infringe on data privacy of the domestic consumer. Their personal and sensitive data is readily accessible by just entering the consumer number of the connection. The regulations must be amended to protect the consumer's privacy.
- E. It is submitted that DSOP compensation conditions must also be incorporated into the CRM system for automatically deducting any compensation to the consumer due to poor standards of performance by TANGEDCO.

We have attached our detailed comments to the proposed amendments, to this email. We have also provided a short summary of our concerns:

**Specific comments on the regulations:**

- I. Consumer Grievance Redressal Forum should act as a catalyst towards resolving consumer disputes in an amicable manner. It is important for TNERC to create processes to support this and for TANGEDCO to be open to mediate disputes in these forums.  
It is submitted that for disputes, damages, etc. involving cost not exceeding, for example, Rs. 10,000/- and based on the consumer category, TANGEDCO has to take onus and resolve the issue as soon as possible. It is submitted that TNERC bring out thresholds easing consumer burden. It is strongly believed that for disputes involving such little costs, it is easier to settle it off the meagre price in order to save time and resources of the utility for other important work.
- II. Real time data on disputes, power cuts, demand, etc in the State of Tamil Nadu should be available in TNERC's website, to increase public accountability.
- III. These amendments are bringing in newer processes that go against the consumer interests as red tape. It is vital for TNERC to ensure that these amendments do not lead to harassment of the consumers.  
Ex: Directly cutting off power when prepayment meter's recharge amount is over, seeking written complaint from the consumer, etc.
- IV. It is proposed that a consumer friendly guide on optimal maintenance of wiring systems, etc for a domestic consumer will be useful in order to ensure that they are able to take up "equal responsibility" for safety, etc. It is submitted that many consumers are not aware of the technical reasons/advice given by the TANGEDCO officials when it comes to faults/damage
- V. It is submitted that all the processes sought to be created via this amendment, should be widely publicised by TANGEDCO for effective implementation.





- VI. In several regulations throughout the amendment, it favours TANGEDCO by digitising the process. Whereas for consumers, it is unreasonable to ask them to submit the request/complaint letter in writing.

A brief summary of the key concerns that we have raised in relation to these amendments:  
(Detailed comments are attached as pdf files to this email)

1. **Consumer Grievance Redressal Forum and Electricity Ombudsman Regulation, 2004**
  - a. The inclusion of a CGRF member from a registered NGO or a consumer organisation or a consumer activist is necessary to ensure neutrality and representation of consumer concerns in the forum. Raising the eligibility criteria to more years of experience and mandating that only a degree-holder can be a member will disregard an overwhelming number of efficient and skilled persons.
  - b. Orders passed by the CRGF and Ombudsman should censor personal information of the consumer (like home address, service connection number, etc.) to protect their privacy.)
2. **Tamil Nadu Electricity Distribution Code, 2004**
  - a. The consumer must be given the opportunity to file a complaint online. This should be a seamless and consumer friendly process.
  - b. TANGEDCO should provide a detailed record of dues, refunds, deposit, etc. on permanent account closure.
  - c. All refunds must be given to the consumers within 3 days from the date of finalising the same.
3. **Distribution Standards of Performance Regulations, 2004**
  - a. A study conducted by CAG proves that TANGEDCO has failed to comply with the DSOP regulations. It is recommended that proactive systems of communication to engage the consumer, and help them meet the terms and conditions as set forth by TANGEDCO should be established. This will solve much of the observed non-adherence to operating standards. The region specific information such as number of pending complaints, compensations should be published online..
  - b. The amount for compensation has not been revised in the past 19 years. It is important to increase the amount. Rs. 100 is too low and does not correlate with the current economic situation of consumers. The compensation per day should be atleast Rs. 500 per day. It is also submitted that the Commission must remove the maximum limit of Rs.1000/- in order to ensure that TANGEDCO meets the best standards of service.
  - c. Maximum compensation for interruption of supply must be capped at Rs. 2000 (like it used to be).
  - d. Under Rule 13(2) of Electricity (Rights of Consumers) Rules, 2020 compensation payment system must be automated for the benefit of the consumers.
  - e. Any TNERC regulations should be reflected in this regulation to ensure accountability.



**4. Tamil Nadu Supply Code, 2004**

- a. Excess demand charges should not be imposed on domestic consumers.
- b. TANGEDCO must bear any charges due to damages unless it is proved to be caused by an act of the consumer.
- c. Meter hiring charges should not be imposed on domestic consumers.
- d. Pre-payment meters should not automatically cut off electricity supply when the amount credited is exhausted. Grace period of 7 days must be given to protect the consumers.
- e. It is the responsibility of TANGEDCO to ensure that the billing details are shared on time with the consumers. Only then they can impose a responsibility on the consumer.
- f. When the meter is found to be burnt or damaged, then an independent third party must conduct an assessment to investigate and submit a report stating the reason behind such damage(s).
- g. Currently, anyone can access consumer numbers and check their addresses. This is a gross violation of privacy. It is proposed that all logins must be authenticated by OTPs so that only the service connection owners can access this sensitive data.

It is submitted to this Honourable Commission that if these amendments are brought in their present form it will go against the interest of the electricity consumers in Tamil Nadu. It is vital for the commission to take into consideration these effects and actively bring in changes to protect the consumer.

It is also to be noted that the Commission has a lot more scope for positive regulations to be incorporated to promote consumer rights.

Looking forward to your positive response and action.

Regards,

K. Vishnu Mohan Rao  
Senior Researcher