

Prayas (Energy Group)'s Suggestions and Comments on Draft Chhattisgarh State Electricity Supply Code (Fourth Amendment), 2024

Chhattisgarh State Electricity Regulatory Commission has issued draft 4th Amendment to Supply Code, 2011 and has invited public comments till 4th March, 2024. Prayas (Energy Group) would like to provide some suggestions on the same. Our comments are detailed below.

1. Clarity on Minimum charge

The amendment has proposed that

"2.1 (ss)(i) 'Minimum Charge' means the minimum monthly charges as specified in prevailing tariff order passed by the Commission;"

It is suggested that the definition of minimum charge should be clear. In this regard, we suggest that the term can be defined as *"minimum monthly charges which will be levied on the consumers despite any consumption by the consumer in their premises, as specified in prevailing tariff order passed by the Commission."*

Apart from this, the amendment is not very clear whether the minimum charges have to be paid despite having paid total consumption charges which are less than minimum charges. If so, how will the DISCOM levy the minimum charges? Will the minimum charges deducted on monthly basis or daily basis? In case it is done on monthly basis, the consumer shall be intimated about the charge deduction at least 7 days before the day of deduction. In addition, the consumer shall be intimated if the credit balance for the consumer will reach negative balance when minimum charge deduction is made.

2. Standards for Prepaid/Prepayment Meter

We suggest that the commission should mention that the prepaid or prepayment meters should conform to as per IS standard specified by CEA in CEA Metering regulation in proposed clause 2.1 (vv) (i).

3. Consumer Data Protection

We welcome initiative by the Commission in considering the consumer data protection aspect of smart metering. In addition to those proposed in Regulation 2.2(a), we suggest that Consumer Privacy Protection provisions mentioned below could be incorporated, which are broadly based on smart-grid regulations enacted by Assam and Tripura regulatory commissions.

"2.2(c). Customer Data Protection Standards

i. Licensees and other implementers of the Smart Grid projects/programs shall ensure that protection of consumer privacy is accorded the highest levels of priority in prepaid smart metering projects and the corresponding investment plans. The same shall apply for all operations including data collection, storage and transfer.

ii. Consumer data shall be protected through appropriate levels of encryption and access controls, and shall not be shared with external agencies without explicit authorization of the Commission or unless required by statutory authorities or by courts of law. If deemed necessary for effective implementation, the Commission shall allow Licensees to disclose consumption data to third parties with appropriate consumer consent processes as applicable. The following conditions shall apply in such circumstances:

a) Data shall be classified as:

(1) Personality Identifiable Information (PII), which consists of customer names, addresses, identification numbers, and other information that specifically identifies the person or entity to which it applies.

(2) Customer-Specific Energy Usage Data (CEUD), which at high resolutions, reveal details about consumer behaviour and therefore should be considered as personal data.

b) Data access by parties providing services shall only be permitted with explicit authorization of designated senior officers of the licensee who are duly authorized by the Board of Directors of the licensee to provide such data under required confidentiality, non-disclosure and non-unrelated use agreements. Such third parties shall be permitted access to all aggregated and anonymised CEUD. No PII data shall be disclosed to third parties.

c) The Commission, upon request of the licensee, may also approve third party service providers to have direct access to consumers and their consumption data as part of a Smart Grid project or program approved by the Commission. The licensee shall permit such access through appropriate confidentiality arrangements with such third parties.

d) It is explicitly clarified that neither the concerned licensee nor the third parties permitted data access would be permitted to sell or disseminate the consumer data to any other party or use for any other purpose.

e) Consumers shall have access to all of their own consumption data, which may be appropriately displayed on the meter display of the consumer and on authorized websites, with suitable levels of access control and security.

iii. Disputes on consumer privacy and data protection shall be resolved through the Consumer Grievance Redressal Forum & Electricity Ombudsman. It is clarified that, in addition, the consumer is also free to approach Redressal fora as established under prevailing personal data protection legislations.

iv. The Commission may at its discretion specify rules for customer privacy and data protection that the licensee shall be obliged to follow. In addition, the Commission may amend the rules to make them consistent with prevailing personal data protection legislations.

v. The licensee shall appoint a data officer as the nodal officer for handling complaints regarding data privacy, and shall act as the single point of contact (SPOC) for The Commission, consumers, third-parties and other stakeholders for all data privacy and security related matters.

vi. In addition to these, any additional compliance and privacy measures suggested under [Digital Personal Data Protection Act, 2023](#) should be complied with by the distribution licensees."

4. Arrear Adjustment methodology for prepaid smart meter consumer

a) Applicability to Consumer category

The amendment is silent on applicability of proposed methodology. We suggest that the proposed arrear adjustment methodology should be limited to only residential consumers or any other consumer with connected load of less than 20 kW.

The large consumers shall not be given an opportunity to pay the arrear in such a long time period (max of 300 days as per Regulation 6.23). For them, the arrear recovery period should be limited to 90 days.

b) Power of adding or withholding additional demand and disconnection (Regulation 6.24.2 and 6.24.5)

The amendment has proposed that adding or withholding additional demand and disconnection shall be done by the respective Executive Engineer of the area. The disconnection power can be given to Junior Engineer, instead of Executive Engineer. This is particularly important since the disconnection can be done remotely. Similarly, adding or withholding additional demand can be given to Junior engineer.

c) Information on arrear recovery (Regulation 6.25)

The amendment has proposed that “Consumers may be routinely advised on the amount recovered as arrears through notification/SMS.” In addition to this, it is suggested that the consumer shall be informed about the amount which is remaining to be recovered from them and a message saying “All past arrears are recovered” when arrear is fully recovered.

The monthly bill given to the consumer shall clearly mention the charges paid by consumer for arrear or additional demand (if any).

d) Part payment of arrears (Regulation 6.26)

While the proposed amendment provide option to pay arrear in one-time or part payment, the maximum time allowed for part payment is not given in the regulation. It is not clear if a consumer can pay the arrear in part on regular basis (for e.g., monthly or fortnightly).

Considering the time allowed for daily recovery of arrear under Regulation 6.23, the maximum time allowed for part payment shall not exceed the time calculated under Regulation 6.23.

5. Monthly rent for prepaid smart meter

While Regulation 8.8 mentions that no monthly meter-rent will be paid by consumers who purchase prepaid smart meter, the regulation is silent on how these charges will be determined and levied on the consumers. We suggest the Commission to define the monthly rental charges to avoid ambiguity about them.

6. Offline method of recharge (Regulation 8.16(c) and Regulation 10.19 (a))

The amendment has given option of various online recharge modes. However, it is silent on providing any option of offline recharge mode. We suggest that Regulation 8.16(c) and Regulation 10.19 (a) should be amended to include offline mode of recharge, which shall be available at all DISCOM offices. However, to demote the offline recharging, a maximum limit on offline recharging (up to 10 times of monthly fixed charges for consumer category) can be provided in the regulation.

7. Time taken to initiate reconnection process (Regulation 8.16(i))

Regulation 8.16(i) proposes that *“The AMI application should initiate auto reconnection after successful recharge of the meter so that the connection is restored immediately (applicable only during the period of temporary disconnection). AMI application initiates auto reconnection after successful recharge of the meter in 60 minutes, but not later than 6 hours where manual intervention is required.”*

The auto-reconnection should be initiated within 15 minutes after successful recharge of the meter.

8. Installation of check meter

Regulation 8.16(k) proposes that *“The check meters shall be installed by DISCOMs for a minimum of 5% of the total smart meters which will be deployed henceforth, under any of the on-going schemes.”*

The check meter proposal is very intensive. This will instil confidence among consumers about the use of smart meters, provided the data regarding the difference between the reading by smart meter and check meter is reported in public domain. The same information can also be reported in monthly bills provided to the consumers.

The regulations states that *“The existing non-smart meters already functioning correctly at consumer’s premises may be used for the purpose of check meters.”* This will reduce the cost burden of check meters on DISCOMs.

9. Replacing damaged smart meters

Proposed Regulation 8.24 states that *“(d) For billing purpose, AMISP to ensure replacement on an urgent basis so that it may be ensured that the assumption-based daily calculations be limited to 7 days in urban areas and 12 days in rural areas.”*

In this regard, we suggest that the clause can be changed to

“(d) Any damaged prepaid smart meter shall be replaced within 7 days in urban areas and 12 days in rural areas. In case this timeline is deferred, assumption-based daily calculations shall be limited to the above-mentioned time period. In case of any further delay in replacement, the consumers shall be liable to pay only 75% of the assumption-based daily billing and AMISP shall bear the remaining consumption cost.”

10. Information on energy consumption

In proviso to Regulation 9.1, the regulation should provide option to report the data on energy consumption to the consumer on daily or real time basis, through various online services such as website and or mobile App or SMS, etc.

11. Additional definitions for smart meter

a) Reconnection

Reconnection in case of pre-paid smart meter can be defined as “resuming the power supply to the consumer’s premises in the manner as specified under Regulation 8.16(i).”

b) Disconnection

Disconnection in case of pre-paid smart meter can be defined as “suspension of power supply to the consumer’s premises in the manner specified under Regulation 10.17 and Regulation 10.22.”

12. Automatic compensation for consumers with smart meter

With implementation of smart pre-paid meters and option of credit with daily energy accounting, Commission shall consider to direct the DISCOMs to provide automatic compensation to the consumers in form of credit balance, which can be used for paying daily charges for consumption.

13. Credit of Government Subsidy

Since the payment for operation and billing of Smart Prepaid Meters will be in prepayment mode, we would like to suggest to the Commission that regulation may consider providing upfront subsidy as approved in the Tariff Order for all subsidized consumers. This upfront subsidy can be provided in the form of credits to consumer account at start of each month. This will ease the process of transfer of subsidy to consumer and settlement issues at the end of billing cycle primarily because the consumer may risk disconnection of supply owing to low credit/balance at the end of the month, without adjustment of subsidy.

Also, in case any consumer, who was availing subsidy in previous billing cycle, is not eligible for availing subsidy in this billing cycle, such a consumer shall be informed in advance about such information.
