#### BEFORE THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

Vidyut Niyamak Bhawan, Vibhuti Khand, Gomti Nagar, Lucknow-226010

#### IN THE MATTER OF

Comments and Suggestions on Determination of ARR and Tariff for FY 21 of the Control Period from FY21 to FY25, Annual Performance Review for FY 20 and True-up of FY 19 for Uttar Pradesh DISCOMs

#### SUBMISSION FROM PRAYAS (ENERGY GROUP), PUNE

7<sup>th</sup> September 2020

DISCOMs in Uttar Pradesh have filed petitions for true-up for FY 2018-19, annual performance review for FY 2019-20 and for determination of ARR and tariff for FY 2020-21 for the control period FY21 to FY25 before the UPERC in July, 2020. With reference to this, the Commission has issued a public notice dated 07.08.2020 in the matter.

Prayas (Energy Group)'s submission highlights several crucial issues and discusses some suggestions that can be implemented in Uttar Pradesh. We request the Commission to consider this submission and to allow us to make further submissions in this matter, if any.

The current financial year has presented DISCOMs with very unique challenges, leading to slowdown of business and financial constraints amidst a global pandemic. Appropriate measures must be taken in such times to ensure prudent passthrough of costs without burdening consumers. The DISCOMs have taken prudent steps such as rationalising tariff slabs, removing unmetered tariff category for LMV 2 non domestic consumers, among others. Prayas (Energy Group)'s submission aims to highlight few issues with the intention of ensuring better processes, overall sector viability and consumer protection in Uttar Pradesh. These are highlighted in the sections below.

# 1. Process delay and inconsistent filing of data formats

#### 1.1. Process delay

Tariff process for the new control period FY21-FY25 was severely delayed by the DISCOMs even prior to the outbreak of the global pandemic. As per the UPERC (Multi Year Tariff for Distribution and Transmission Regulations), 2019, Business Plan for the new control period was to be submitted by 15/10/2019. There was delay in submission of the same by more than 7 months. Along with this, the tariff petitions for the current financial year FY21, APR for FY20 and true-up for FY19 were supposed to be filed by 30/11/2019 and order from the Commission for the same was supposed to be issued at the beginning of the financial year in April 2020. Given the delay, a tariff order will now be issued close to half the completion of the financial year.

The UPERC had to commence a suo moto process in February 2020 as the DISCOMs had not filed their petitions by then. This is a proactive move, as has been directed by the APTEL as well. Since then, the UPERC had to wait till July 2020 for DISCOMs to submit petitions. Going forward, since waiting adds to the delay, in the interest of consumers, to ensure timely tariff revision and to avoid build up of carrying costs, the Commission can go ahead with issuing tariff orders based on available information if DISCOMs do not file petitions on time. The Tamil Nadu SERC had taken such a measure for FY 2014-15 when it had issued a suo moto tariff order after the DISCOMs had failed to provide petitions on time. The UPERC had not conducted true-ups for ten years for FY01-FY10 which led to accumulation of losses and carrying cost- the incidence of which ultimately had to be borne by consumers and taxpayers. To prevent such instances in the future, especially in times of economic doldrums, it is best that processes be timely.

#### 1.2. Business plan and filing of data formats

New control periods bear importance of effective planning for the next five years. Such planning ensure certainty in processes to consumers. As per Regulation 5 of the UPERC (Multi Year Tariff for Distribution and Transmission Regulations), 2019, category and sub category-wise trajectories are supposed to be filed for parameters such as sales, revenue, power purchase, and capital investment as part of Business Plans in the beginning of the Control Period. Business Plans are crucial documents which need to be discussed and finalised through a public process. The DISCOMs should clearly demarcate such documents while uploading them on their websites. Since this was not done, it was difficult to assess the petition on its merit.

Many data formats, as specified by Commission, have not been filled or provided by the DISCOMs. For instance, DVVNL's petition's annexures are missing from the PDF document. The absence of such files and inconsistencies in hosting them on the website makes it difficult to extract information for effective analysis. Data has been provided in non-searchable formats which makes informed participation by consumers difficult. It is requested to the Commission to direct the DISCOMs to file data formats in a uniform manner and in spreadsheet formats to enhance public participation. Same applies for response to data gaps- the current hosting format makes it extremely cumbersome to access information.

To enable effective participation, UPERC should host all relevant petition files and formats on its website. The SERCs in Andhra Pradesh, Delhi, Telangana, Delhi, and Madhya Pradesh have a good practice of archiving and hosting all tariff related filings, petitions and orders on their own websites. It is requested to the UPERC to adopt the same practice.

To make tariff process data more accessible, the following is recommended:

- UPERC to host and archive all filings and petition related documents of all licensees on its website
- All documents to be uploaded in electronic text searchable formats
- Data formats to be uploaded as spreadsheet format (.xlsx or .csv)
- Reply to data gaps to be uploaded by all DISCOMs in the same format that are easily text searchable
- UPERC to host tariff orders in electronic text searchable format as was done till FY18

#### 2. Sales and revenue estimation

#### 2.1. Sales estimation

Uttar Pradesh DISCOMs have estimated and projected sales for FY20 and FY21 much modestly in comparison to previous projections. Such modest projections are necessary, especially considering the fall in overall demand, given the outbreak of the pandemic this year and resultant lockdowns in the country. It has been observed by the DISCOMs that there was a plummet in average demand by 24% in April 2020 during the lockdown. Considering the impacts on the economy and energy consumption, it is crucial that the Commission adopts realistic assumptions for the year FY 21. Additionally, for some categories such as HV-1, non-industrial bulk load growth has been considered to be 10%. The prior annual growth was 5%. It is requested to the Commission to take into consideration past growth trends and current realities before approving final sales. This is to ensure that the projections are realistic and not overestimated, as such a situation affects revenue recovery subsequently. Additionally, we request the Commission to take a closer look at consumption growth rates for select categories where growth rates seem high. For example, DVVNL has considered an 11.20% growth in sales for "Other Metered Domestic Consumers other than BPL" in LMV-1.

#### 2.2. Status of unmetered connections in Uttar Pradesh

UPERC in its tariff order for FY20 had directed the DISCOMs to meter all consumers other than agricultural consumers by FY21. In their petitions, as per response to directives, DVVNL has claimed that 100% metering of domestic consumers has taken place in this DISCOM. It is indeed a positive outcome and since the other DISCOMs other than KESCO are yet to finish meterisation of domestic consumers, it would be good if DVVNL highlighted its metering approach and share results of the same with the other DISCOMs and UPERC. Given the progress in meterisation, it is a good step that PUVVNL has proposed removal of LMV-2 unmetered tariff category. Further, all DISCOMs have mentioned that LMV-10 (departmental employees) consumers will not be under the purview of the metering drive. It is requested of the Commission to direct the DISCOMs to meter LMV 10 consumers as well.

Figure 1 captures metering status across years for DISCOMs and it can be seen that till FY18, many categories had a large proportion of connections unmetered. In data formats provided for the current tariff process, it shows that in FY20, there were 37% unmetered connections for LMV 3 and 84% unmetered connections for LMV 8 in PVVNL (pg. 494 of tariff petition, format P14).

It is a positive step that meterisation is taking place. Along with this it should be ensured that the meters installed are functioning and contribute to effective energy accounting and billing. For accountability, DISCOMs should submit metering and billing audit reports to UPERC for each circle before tariff process for FY21.

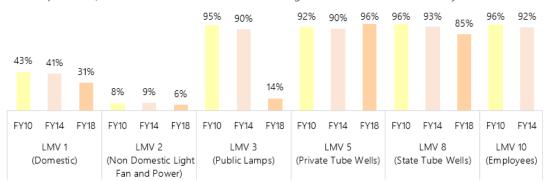


Figure 1: Proportion of unmetered consumers in various categories in Uttar Pradesh across years

#### 2.3. Increase in costs, ARR, and average tariffs

FY21

The DISCOMs in their petitions have provided category-wise revenue based on projected sales. Comparing the same with FY20 figures (illustrated in Table 1), shows that while the ACoS has been projected to increase by 4%, the average tariff barely increases, increasing the ACoS-ABR gap to ₹1.65/kWh. Since details have not been furnished in petitions and business plans have not been provided in the petition documents, the assumptions made by the DISCOMs are unclear. The DISCOMs should be prudent about their costs, especially power purchase if they are foreseeing a fall in sales and revenue to maintain or reduce the ACoS-ABR gap.

Table 1: Cost and Revenue of UP DISCOMs in FY20 and FY21						
Financial Year	ARR (₹ Cr)	Revenue (₹ Cr)	Sales (MU)	ACoS (₹/kWh)	ABR (₹/kWh)	ACoS-ABR (₹/kWh)
FY20 (As per DISCOMs' APR petitions)	69,710	56,311	91,459	7.62	6.16	1.47
FY21 (As per DISCOMs' ARR petitions)	70,793	56,020	89,733	7.89	6.24	1.65
% change from FY20 to	2%	-1%	-2%	4%	1%	12%

# 3. Proposed changes in tariff slabs

#### 3.1. Rationalizing tariff sub-categories

In the public notice issued by PuVVNL, the DISCOMs have petitioned for changing the tariff slabs of domestic consumers where five tariff slabs for metered domestic consumers under LMV-1 have been reduced to three categories- namely up to 100kWh/month, 101-300 kWh/month and above 300kWh/month. This is a welcome move as this reduces incentive for meter tampering and splitting.

There are separate tariffs for rural and urban areas with rural areas paying lower rates. For proposed tariffs, while urban domestic consumers' tariffs are about 91% of cost of supply, rural proposed tariffs are 63%. Low tariff for rural areas would perpetually trap rural areas in low levels of supply and service quality; this leaves no incentive for DISCOM to improve the rural quality of supply. Rural areas could pay the same tariffs as their urban counterparts and efforts need to be made to ensure similar service quality and standards of performance.

#### 3.2. General category for consumption up to 100 kWh/month

In the proposed tariff design, for non-domestic consumption under LMV-2, up to 4 kW, the monthly fixed charge is ₹3.60 and the energy charge is ₹5.5/kWh for the first 100kWh. Compared to that, domestic rates are much lower at ₹110/month for fixed charge and ₹5.5/kWh for the first 100kWh for energy charge. Categorisation based on type of use (e.g. - industrial, commercial) subjects small enterprises which run out of homes to harassment and makes them liable for unauthorised use as defined in Section 126 (6) (b) (iv) of the Electricity Act. In order to ensure affordable power for small consumers while ensuring revenue neutrality, the Commission can charge similar fixed and variable charges for domestic and non-domestic consumers for the first 100 kWh. Similarly, the fixed charge can be reduced to match domestic rates. For consumption above 100 units, tariff can vary for domestic and commercial categories separately in a telescopic manner. This would ensure certain level of intracategory cross subsidisation and provide price signals for efficient use of power.

#### 3.3. Likelihood of sales migration of HV commercial and industrial consumers

Energy charges of HV commercial and industrial consumers are substantially high. The average proposed tariff for HV 1 consumers is ₹11.38/kWh, whereas the tariff for HV 2 consumers is ₹8.26/kWh. Even with proposed cross-subsidy surcharge and wheeling charges, these consumers might be nudged to procure power through open access or set up captive power plants. Captive consumption in UP has been significant at 17%-21% of total consumer sales between 2011-2018 as per CEA All India Electricity Statistics, General Review.

In order to disincentivize sales migration, DISCOMs could increase the fixed charge component to make open access less lucrative. However, it will have unintended consequence of making captive consumption more worthwhile. For a typical 1 MW consumer belonging to HV-1 or HV-2 category, annual fixed cost payments to the DISCOM is close to ₹50 Lakhs. If these consumers were to set up 1 MW solar captive power plants, they could recover 9-13% of their costs in a year.

Given the non-competitiveness of DISCOM tariffs, it is imperative that high paying HV consumers will prefer to reduce dependence on DISCOMs. To understand such migration and for sustainability of DISCOMs' businesses, it is important to track revenue generated from open access and captive consumption during the control period.

It is requested to the UPERC to fix surcharges in such a manner so as to provide certainty for long term migration of industrial and commercial consumers while imposing penalties for short term open access

as such actions make power procurement planning difficult for DISCOMs. It would be beneficial to fix cross subsidy surcharge and wheeling charges for the next 5 years.

### 4. Issues on revenue subsidy

#### 4.1. Need for pilot projects for new subsidy delivery mechanisms

As per section 3.42.2 of DISCOMs' petitions, it has been mentioned that "The transfer of subsidy to consumers is under consideration through DBT mechanism. It is also under consideration to prepare the consumer electricity bill on full tariff without subsidy and mention the amount of subsidy separately in the bill. Accordingly, for this purpose tariff without and with subsidy will be required and the required submission shall be submitted separately".

While better targeting of subsidy through direct transfers has been discussed in policy documents and recently as part of the draft Electricity Act amendment of 2020, DISCOMs need to conduct pilot projects for the same before going ahead with large scale roll outs to avoid unintended outcomes that might severely disadvantage consumers.

It is unclear in the DISCOMs' petitions whether subsidy will be directly transferred to individual consumers' bank accounts or the consumer's account with the DISCOM. There will not be much of a change in modality if the latter is taken up and the issue of delay in subsidy payments will not be addressed. However, if the state government is considering implementing subsidy disbursal through DBT by depositing the subsidy quantum in the consumers' bank accounts as has been done for LPG subsidy programs, then it will be too soon to do so from this year without conducting pilot projects.

The uncertainties associated with DBT to consumer bank accounts involve the following:

- If the model of subsidy payment requires consumers to pay unsubsidised bills upfront first and on basis of such payment, the government credits the subsidy amount through DBT to the consumer's bank account, it might lead to cash flow issues for poor and agricultural consumers. To circumvent this issue, in the first month, an advance amount of subsidy could be credited to the consumer's bank account based on average bills of past months. In subsequent months, subsidy can be credited based on actual consumption of the previous month and can be adjusted going forward.
- If there is a delay in transferring subsidies to consumers then it might mean substantial high bill payments for rural domestic and agricultural consumers. This tariff shock might lead to default and encouragement of a non-payment culture. With so many newly electrified consumers in the state belonging to the subsidised categories, this might not be a desirable outcome.
- In case of tenancy, it is unclear whose bank account the DBT will be credited to- the owner of house in whose name the connection is, or the tenant who actually pays the electricity bill. In case of agriculture, farming practices and ownership is much more complicated where tenancy farming is practised on fragmented pieces of land.

Given all these complexities, the DISCOMs should not go ahead with the DBT scheme before conducting pilot projects extensively. In consumer interest, the Commission is requested to discourage this decision for the particular financial year.

UPERC follows a good practice of reporting in the annual tariff orders the category wise amount of subsidy promised and paid by the government of UP and will be good to continue with such practices even with change in modalities of subsidy payments. Additionally, it is a good practice to arrive at two separate tariff schedules- one with incidence of subsidy and one without.

#### 4.2. Treatment of additional subsidy

In 2013, while truing up for FY08, the UPERC decided (in accordance with the UPERC tariff regulations which came into effect in 2008) that categories consistently being subsidised by the state government (i.e. agriculture and rural domestic) would not receive any cross subsidy. Keeping consumer interest in focus and to avoid tariff shock, UPERC "had treated some amount of revenue gap as revenue realized and instructed the licensee to recover this amount from the GoUP as additional subsidy".

However, it has been observed that this additional subsidy has not been paid by the government of UP till date. This is leading to burgeoning losses in the DISCOM's accounts, which might not be reflecting in their regulatory books, since they have been deemed to be paid by the government. While the Commission has not been accounting for additional subsidy in the recent tariff orders, for truing up for FY19, the DISCOMs have petitioned to add such an amount as part of revenue gaps and to amortize such values.

With no commitment from the government to pay additional subsidy, such non recovery of revenue will be adding to losses of the DISCOMS which will only hinder them from providing quality supply. It is best that the Commission treats the said amount as part of the revenue gaps and the DISCOMs recover such amounts gradually from the consumers, given the current tariff design. This reconciliation needs to be done based on additional subsidy amounts that have been approved by the UPERC in true up processes. There must have been parts of accumulated additional subsidy that have been taken up as part of DISCOMs' accumulated losses (as grants) by centre and state debt takeover schemes. Such amounts should not be recovered from consumers. Additionally, no prior disallowed costs by UPERC should be considered in this process.

#### 4.3. Subsidy data provision

Annual reporting of subsidy takes place in tariff petitions and orders for domestic and agricultural consumers, but it is not clear if the entire quantum is reported and if other categories (such as power loom) are in receipt of subsidy. Additionally, there is no information on delay of subsidy payments or its impact on working capital borrowings.

DVVNL in its filings has provided credit note receipts of subsidy for FY19 as part of Annexure Q 71 from reply to data gaps. Quarter-wise information on subsidy receipt has been given in these credit notes. It is unclear if these credit notes from UPPCL are for DVVNL only or for all DISCOMs. The total amount of receipt adds up to ₹2,215 Crore whereas DVVNL in its petition in Section 2.15.1 has claimed that it has received ₹2,265.88 Crore from the Government of UP. It is also not clear if there were any delay in quarterly payment. The information provided by DVVNL is replicated in Table 2 below:

Table 2: Credit notes from UPPCL for subsidy in FY19

Date of Letter	Purpose of subsidy payment	Quarter	Amount (₹)
10.10.18	Subsidy for PTW August 18		815181593
10.04.19	Subsidy for PTW December 18	3rd Quarter	841437561
27.05.19	Subsidy for PTW March 19	4th Quarter	2992152113
		Sub total	₹ 465 Cr
19.07.18	Revenue subsidy	1st Quarter	3965571783
10.10.18	Revenue subsidy	2nd Quarter	2365746824
01.01.19	Revenue subsidy	3rd Quarter	3954241577
12.03.19	Revenue subsidy-March 19	4th Quarter	2630873623
09.04.19	Revenue subsidy-March 19	4th Quarter	15909840
		Sub total	₹ 1,293 Cr

19.07.18	Revenue Subsidy for payment of ED		369943562
10.10.18	Revenue Subsidy for payment of ED		1143658084
01.01.19	Revenue Subsidy for payment of ED		1707485725
12.03.19	Revenue Subsidy for payment of ED		1713445726
		Sub total	<b>₹</b> 456 Cr
		Grand total	₹ 2,215 Cr

Source: Annexure Q71 submitted by DVVNL

In the tariff and true-up orders and petitions, the Punjab SERC and Punjab State Power Corporation Limited (PSPCL) respectively have been reporting category-wise information on subsidies, delays in subsidy payment and interest cost due to the same. The PSPCL, based on the Punjab SERC directions, is also providing information on subsidy payments on a fortnightly basis. The TNERC releases a subsidy order every year which provides details on category-wise subsidies and revision in subsidy amounts due to variation in sales. Considering such good practices and the extent of reliance on subsidy for their revenue requirements by the UP DISCOMs, we propose that the Commission can direct the DISCOMs to submit the following information on a quarterly and annual basis:

- Subsidy promised and paid during the concerned period and change in subsidy claimed due to revision of sales, if any.
- Schedule of payment of subsidies and deviation from the same on a monthly basis.
- Delays in subsidy payments in days along with short-term loans and accumulating interest payments incurred due to delays.
- Detailed break up of payments which include budgetary payments, subsidy adjustments with electricity duties collected and adjustments in loan repayments, if any.
- Break up of revenue subsidy paid to each consumer category or class of beneficiaries in the period. This should provide details on tariff subsidy as well as subsidy in lieu of rebates, if any.
- Break up of subsidy provided to each category to compensate for pending dues or arrears.
- Break up of subsidised sales on a category-wise basis along with subsidised and unsubsidized tariff

# 5. Accountability for smart meter roll out plan

#### 5.1. Clarity on smart meter installation status

As per information recorded in the Commission's suo moto <u>order from November 2018</u>, UPPCL has claimed that 40 lakh smart meters will be installed as per this roll out plan. UPPCL has stated that 10.31 lakh smart meters have been installed in Uttar Pradesh as on 30<sup>th</sup> June 2020. A total of 29.02 lakh smart meters are proposed to be installed by March 2021 as per the DISCOMs' petitions. In this regard, the DISCOMs should submit to the Commission, the AMISP's annual installation plan of all 40 lakh smart meter installations in this phase. Further, all future roll-out plans must be approved by the UPERC before selection of the AMISP.

#### 5.2. Disaggregated reporting of OPEX for smart meters and publishing quarterly reports

The DISCOMs have submitted in their petitions that they would like to recover the per meter cost of ₹86+GST/meter/month as part of additional annual O&M expenses. In this regard, in section 4.25.22 of DISCOMs' petitions, a table has been provided by each DISCOM to capture that cost. It is unclear how these costs have been arrived at for MVVNL, PVVNL and KESCO, thus in Table 3, calculations have been highlighted to mark such deviation. While DISCOMs have claimed a total cost of ₹ 207 Crore, calculations on a per meter cost for the financial year provide a cost of ₹326 Crore. Installing smart meters for all 27 million domestic consumers of UP DISCOMs would mean significant per year costs which is comparable to about 40% of the current O&M of DISCOMs. Given the potential impact on

consumers, reporting of progress and expenses should be improved and such information should be provided publicly. The UPERC had prescribed formats for quarterly submission of information with respect to smart metering progress in its November 2018 order as Annexure-A. This format, along with information on net gains should be published on DISCOM's and UPERC's websites for transparency.

Table 3: Calculation of O&M expenses for smart meters for FY21

DISCOM	Smart Meters installed till March 2020	Smart Meters to be installed till March 2021	Rate (Rs. /meter/month including GST @18%)	No. of smart meters installed after march 2020 and by march 2021	OPEX for smart meters in petitions (₹ Crore)	OPEX for smart meters as calculated (₹ Crore)
	Α	В	С	D=(B-A)		E=(C*D*12)/10^7
DVVNL	117000	353000	101.421	236000	29	29
MVVNL	335000	598000	101.421	263000	57	114
PVVNL	175000	632000	101.421	457000	49	98
PuVVNL		487000	101.421	487000	59	59
KESCO	91000	121000	101.421	30000	13	26
Total	7,18,000	21,91,000		14,73,000	207	326

Source: Compiled from section 4.25.22 of all DISCOMs' ARR petitions for FY21

# 5.3. Any additional costs from installation of smart meters should not be passed on to consumers

The idea of smart metering was introduced with the understanding that it would generate savings. Thus, no costs incurred due to smart metering should be passed onto consumers. However, if there are net gains, they should be factored in while revising tariffs in subsequent years. Regulation 45 of UPERC (Multi Year Tariff for Distribution and Transmission Regulations), 2019 clearly mentions what constitutes operation and maintenance expenses and no cost other than those mentioned should be passed on to consumers.

The DISCOMs had communicated to the UPERC that "The existing consumers will not have to pay any additional charge for existing meter replacement with smart meters", which is recorded in the Commission's suo moto order from November 2018. Overall OPEX for 40 lakh smart meters was stated as ₹ 3,211 Crore in the same order. The net gain was assessed to be ₹4,056 Crores in 8 years.

Therefore, why are the DISCOMs passing through such expenses to all consumers if the roll out plan aims to see net gains through smart meter installations? Moreover, how would such net gains be shared with the consumers in the future?

As per letter number 280/NOSMP/UPPCL/RAU/20 (presented as Annexure Q\_81 by DVVNL as part of additional data gaps), UPPCL has communicated that they achieved 98.02% meter reading in June 2020, decreased T&D losses by 4%, increased billing efficiency by 4%, decreased AT&C losses by 2.3% in areas of smart meter installation.

It is imperative that the Commission designs an evaluation framework for smart meter roll outs before the true up processes for FY20 and FY21. The evaluation framework should be based on factors such as reduction in distribution losses, increase in collection efficiency, reduction in employee and A&G expenses etc. Further, if net gains are not observed, then losses incurred by the DISCOMs should be disallowed to be passed through to consumers. This is because the rationale for introducing smart meters has been to reduce losses and observe a net gain from such an exercise.

UPERC had not allowed for the pass through of smart metering costs in FY20 and had said would take it up during true-up. The same treatment should be adopted for the new control period as well.

#### 5.4. Inclusion of performance standards for smart meters in SoP regulations

With regard to widespread electricity supply failure on 12<sup>th</sup> August 2020, due to disconnection of smart meters, UPERC has taken a proactive stand of issuing a show cause notice (no. UPERC/Secy/Petition (VCA)/2020-186) on 13<sup>th</sup> August 2020. The DISCOMs in their reply (as captured in the Commission's order from 25.08.2020) have expressed a lack of regulations concerning smart meters. Even though the Commission has taken this forward by imposing penalties on the DISCOMs, to avoid complications in the future, it would be desirable to amend standards of performance regulations to incorporate standards for smart meters over and above the provision that exists for prepaid meters in Regulation 16.11.1. Provision for high penalties might be more effective in encouraging DISCOMs to hold AMISPs accountable in the future.

#### 6. Electrification data

As per the <u>Saubhagya</u> website, between October 2017 and March 2019, 7.98 million households were claimed to be electrified in Uttar Pradesh. As per DVVNL's submission in Annexure Q 110 (Letter no.145 Resspo/Saubhagya, dated 24.07.2020), total connections (grid and off grid) released for all DISCOMs between April 2017 and March 2020 is 5.6 million. It is unclear why there is such a large discrepancy in the number of connections released in the state and as reported by Government of India. Is it because of permanent disconnections subsequently after connections were given under Saubhagya, for reporting errors, or other reasons?

It is of utmost importance to retain new connections, otherwise the investments made and the herculean effort of electrification will not bear fruit. Connection should be retained in order to reap benefits from electrification schemes. It is requested to the Commission to direct the DISCOMs to track and report the following parameters for newly electrified households in the state as given in Table 4:

Table 4: Information required for newly electrified consumers

rable 1. Impormation req	dured for newly electrified consumers			
Parameter	Information to be provided			
Disconnections	<ul> <li>Number of disconnections in the last 3 years and reasons for the same (non-paymen of bill/ uninhabited house, etc.)</li> </ul>			
Billing status for newly electrified households	<ul> <li>Billing cycle as per supply code</li> <li>Average time taken for first bill after issue of connection</li> <li>Average time taken for issue of last bill</li> <li>Number of connections who have not been billed for past 3 months/ 6 months/ 1 year</li> </ul>			
Status of metering and bill payment	<ul> <li>% of metered households among newly electrified households</li> <li>Average consumption and bill amount for billing cycle</li> <li>% of bill payment to total bills raised for newly electrified households in each division</li> <li>Basis of meter reading (based on actual reading, average meter reading, zero reading, smart meter)</li> </ul>			
Key supply reliability indicators	<ul> <li>DT failure rate for newly villages electrified (% for 1 year)</li> <li>Average time take to repair DT (hours)</li> <li>Average hours of supply in the last 1 year</li> <li>Average evening (6 to 10 PM) hours of supply</li> </ul>			