

TAMIL NADU ELECTRICITY REGULATORY COMMISSION

Notification No. TNERC/SPR/9/1-3 dated 31/05/2006

Sub: TNERC – Electricity Distribution Standards of Performance Regulations.

The Commission specified Tamil Nadu Electricity Distribution Standards of Performance Regulations under section 57 of the Electricity Act 2003. The Regulations have been published in the Tamil Nadu Government Gazette dated 01.09.2004 from which date all regulations **except 21 and 22** have come into force.

(2) The regulation 21 prescribes the compensation payable by the licensees for failure to achieve the performance and regulation 22 prescribes the procedure for payment of compensation.

(3) Considering the time that might be required by the TNEB to equip itself with the requirement to meet the standards and also to change the attitude and approach of their employees to the new environment, it was specified in regulation 1 (iii) that the provision under the Regulation 21 and 22 shall come into force after 1 year from the date of the publication of the Regulation in the Gazette.

(4) Thus the provisions under Regulations 21 and 22 of the Tamil Nadu Electricity Standards of Performance Regulations would have come into effect from 01.09.2005.

(5) The TNEB represented that they were running with dearth of men and material and hence finding it difficult to implement the various standards prescribed by the Commission. They had requested that the Enforcement Mechanism prescribed in the Regulations may be postponed for two years so as to set right the dearth of men and material and also to change the mind setting of the employees.

(6) The TNEB also made a presentation before the Commission on the measures taken by them to achieve the standards of performance.

(7) The Commission considered the request of the TNEB and approved to extend the period specified in clause (iii) of Regulation 1 by nine months so that the provision of Regulations 21 and 22 shall come into effect from 01.06.2006 subject to the condition that the TNEB submit an action plan with milestone to achieve the standards, etc.

(8) The postponement of Enforcement Mechanism upto 31.5.2006 was notified on 31.08.2005.

(9) Now, the TNEB in their letter dated 26.5.2006 have stated the following:

- (a) The TNEB is currently facing huge load growth beyond the expectation warranting vast improvement to the existing infrastructure.
- (b) Improvement / new work, etc. could not be taken up as planned as it is based on the availability of the line clearance of 110 KV / 230 KV lines, which could be availed only without any interruption to the consumer.
- (c) Road cutting approval on newly laid roads for laying of cables takes long time as such approval is given after one year period time.
- (d) The amendment to the time schedules in the Standards of Performance Regulations proposed by the TNEB is to be considered by the Commission.
- (e) The TNEB have been facing calamities like tsunami, flood and vagaries of summer.
- (f) The consumers are adding more unlimited and unintimated loads.

- (g) There are major infrastructure impediment on land acquisition, way leave, court case, tree cutting, transformer and other SS equipment.
 - (h) Enforcement Mechanism is not implemented in the neighbouring States.
 - (i) Hence the Enforcement Mechanism may be postponed for another **two years**.
- (10) In this context, the following were considered by the Commission.
- (i) The difficulties / impediments stated by the TNEB are perennial in a utility serving for a dynamic society. They cannot ask for postponement of Enforcement Mechanism for indefinite period on this ground.
 - (ii) The amendment to the time schedule prescribed in the regulations proposed by the TNEB are being approved and notified separately.
 - (iii) The TNEB have come before the Commission to order postponement of Enforcement Mechanism on the penultimate day of extended period. Such last minute approach by TNEB is noted with displeasure.

(11) Considering the genuine difficulties like dearth of staff, time required to impart training for attitudinal change of their employees, the Commission orders that the Enforcement Mechanism be postponed by another **six months** so that the provision of Regulations 21 and 22 shall come into force on **1.12.2006** subject to the condition that the progress are reported monthly and the TNEB prepare themselves to meet the standards positively from **1.12.2006**.

(By order of the Tamil Nadu Electricity Regulatory Commission)

**R.Balasubramanian
Secretary**