

**KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM**

Petition No: OP 23/2023

Present : **Sri.T.K.Jose, Chairman**
Adv. A. J. Wilson, Member
Sri. B. Pradeep, Member

In the matter of : Petition for amendment of regulations with respect
"The Electricity (Right of Consumer) Rules, 2020" and
"The Electricity (Right of Consumers) Amendment
Rules, 2021"

Petitioner : Kerala State Electricity Board Ltd (KSEB Ltd)

Represented by : Sri. Sajeev G, Chief Engineer (Commercial & Tariff),
Sri. M.P. Rajan, DY CE (TRAC),
Sri Suresh A, EE(TRAC)

Date of hearing : 21.06.2023, 11:00 AM

Venue : Court Hall of the Commission

Order dated 27.07.2023

1. KSEB Ltd had on 11.10.2021 filed a petition before the Commission for the amendment of various regulations issued by the Commission in line with "The Electricity (Rights of Consumers), Rules 2020" and "The Electricity (Right of Consumers) Amendment Rules, 2021". KSEB Ltd has suggested amendments/modifications required in Kerala Electricity Supply Code, 2014, KSERC (Standards of Performance of Distribution Licensees) Regulations, 2015, KSERC (Renewable Energy and Net Metering) Regulations, 2020 and KSERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2005.
2. Summary of the issues raised in the petition is given below.
 - (1) KSEB Ltd has proposed the following modifications in **Kerala Electricity Supply Code, 2014.**
 - 1) **Definitions-**
 - a) "**Days**": means clear working days. Rule 2 (1) (g). **New definition.**
 - b) "**applicant**" means an owner or occupier of any premises who files an application form with a distribution licensee for supply of electricity, increase or decrease in sanctioned load or contract demand, change in title or mutation

of name, change in consumer category, disconnection or restoration of supply, or termination of agreement, shifting of connection or other services as the case may be, in accordance with the provisions of the Act, rules and regulations made there under;. Rule 2 (1) (b). **Shifting of connections to be added.** Amendment required in Regulation Section 2(6).

c) "**Disconnection**" means the physical separation or remote disconnection of a consumer from the distribution system of the distribution licensee; Remote disconnection introduced. **Applicable when Smart meter/prepayment meter introduced.** Rule 2 (1) (h). Amendment required in Regulation Section 2(33).

d) "**Occupier**" means the owner, tenant or person in occupation of the premises where electricity is used or proposed to be used; New term tenant introduced. Rule 2 (1) (k). Amendment required in Regulation Section 2(60).

e) "**temporary connection**" means an electricity connection required by a person for meeting his temporary needs such as

(i) for construction of residential, commercial and industrial complexes including

pumps for dewatering;

(ii) for illumination during festivals and family functions;

(iii) for threshers or other such machinery excluding agriculture pump sets;

(iv) for touring cinemas, theatres, circuses, fairs, exhibitions, melas or congregations.

Rule 2 (1)(n) Amendment required in Regulation Section 2(74).

2) **Hard copy submission** - The acknowledgment with registration number generation time to be specified by Commission: In case of hard copy submission, the acknowledgment with registration number shall be generated within such period as may be specified by the Commission, not exceeding twenty four hours, of receipt of the application, complete with all the required information. Rule 4 (7). Amendment required in Regulation Section 76(8).

3) **Agreement shall become the part of the application form:** Application form complete in all respects in the appropriate format shall include agreement as part of it as mentioned in Rule 4 (10). **Revised application form with agreement as part of it will be submitted for amendment of Annexure 4** Regulation Section 103(1).

4) **Time period for providing new service connection:** The Commission shall specify the maximum time period, post submission of application complete in all respect, not exceeding seven days in metro cities, fifteen

days in other municipal areas and thirty days in rural areas. Rule 4 (11). Amendment required in Regulation Section 85 1(b).

- 5) **Connection charges for new connection:** For electrified areas up to 150 kW or such higher load as the Commission may specify the connection charges for new connection shall be fixed on the basis of the load, category of connection sought and average cost of connection of the distribution licensee so as to avoid site inspection and estimation of demand charges for each and every case individually. The demand charges, in such cases, may be paid at the time of application for new connection. The estimate of Connection charges as per Rule 4 (13) above is under preparation. **Separate petition will be filed before Commission for approval.** Rule 4 (13). Amendment required in Regulation Section 32(1).
- 6) **Metering:** No connection shall be given without a meter and such meter shall be the smart prepayment meter or pre-payment meter. Any exception to the smart meter or prepayment meter shall have to be duly approved by the Commission. The Commission, while doing so, shall record proper justification for allowing the deviation from installation of the smart pre-payment meter or prepayment meter. **Smart pre-payment meter or prepayment meter implementation.** Rule 5 (1). Amendment required in Regulation Section 121(1). Honourable Commission may kindly note that changeover of the existing metering system to smart pre-payment or prepayment involves many factors including technical and financial. A proposal on the strategy to be adopted to implement metering as per Rule 5 (1) considering various technical and financial aspects involved is under preparation and will be submitted as additional submission to this petition for consideration of Hon'ble Commission.
- 7) **Testing of meters** shall be done by the distribution licensee within a period as may be specified by the Commission, not exceeding thirty days, of receipt of the complaint from the consumer about their meter readings not being commensurate with his consumption of electricity, stoppage of meter, damage to the seal, burning or damage of the meter, etc. **Presently it is fixed as 5 days. It can be up to 30 days as per new Rule.** Rule 5(7). Amendment required in Regulation Section 116(4, 5).
- 8) **No test fee shall be charged from the consumer at the time of reporting:** If the meter is found to be defective or burnt due to reasons attributable to the consumer, the consumer shall bear the cost of new meter and test fee shall be charged from the consumer through subsequent bills. Rule 5(8). Amendment required in Regulation Section 115(4).
- 9) **Third party testing facility:** As per Regulation 115(8) if a consumer disputes the result of testing at the laboratory of the licensee, the meter shall be got tested at a laboratory selected by the consumer from among

the laboratories accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL). Whereas as per Rules 5 (11) if a consumer disputes the results of testing, the meter shall be tested at a third party testing facility selected by the consumer from the list of Empanelled testing agencies approved by the Commission and as per Rule 5 (12) the list of third party agencies approved by the Commission shall be available in their various offices as well as on the website of the distribution licensee. Amendment required in Regulation Section 115(8) incorporating the Rule 5 (11). Honourable Commission may kindly take necessary steps to approve third party testing agencies as per Rule 5(12) and publish the same.

- 10) **Replacement of defective or burnt or stolen meters** shall be done within a time period, to be specified by the Commission not exceeding twenty-four hours in urban areas and seventy-two hours in rural areas by the distribution licensee. **Timeline modification.** Rule 5(13) ©. Amendment required in Regulation Section 118(4).
- 11) **Information to consumers regarding changes:** Consumers shall be notified of change in tariff including fuel surcharge and other charges, a full billing cycle ahead of time, through distribution licensee's website. Rule 6(1). Amendment required in Regulation Section 176 (b).
- 12) **First bill:** In case the consumer does not receive the first bill within such period, he may complain, in writing, to the distribution licensee and the distribution licensee shall issue the bill within a time period, not exceeding seven days. **15 days shortened to 7 days.** Rule 6(8). Amendment required in Regulation Section 122(7).
- 13) **Rebate in delay in issue of any bill:** If any bill is served with a delay of such period as specified by the Commission, not exceeding sixty days, the consumers shall be given a rebate of two to five percent as specified by the Commission. Rule 6(10). New clause introduced.
- 14) **Mandatory online payment:** Bill amount of more than one thousand rupees or an amount specified by the Commission shall mandatorily be paid online. Commission shall specify a suitable incentive or rebate for payment through online system. Rule 7(2). New clause introduced.
- 15) **Advance payment of bills:** In case of post payment meters, when a domestic consumer gives prior information in writing about his continued absence from residence, the distribution licensee shall not send any notice or provisional bill to the consumer provided that the consumer pays the fixed charges for such period in advance and his supply line shall not be disconnected. Rule 8(1). Amendment required in Regulation Section 129.
- 16) **Remaining security deposit shall be refunded** to the consumer within such period as specified by the Commission, not exceeding seven days. Rule 9(1)(b). New clause introduced.

- 17) **Reconnection duration:** Not exceeding six working hours of receipt of past dues and other charges as applicable. Rule 9(3). Amendment required in Regulation Section 147(1).
- (2) KSEBL had proposed the following modification in the **KSERC (Standards of Performance of Distribution Licensees Regulations), 2015**, in line with Rule 12 of 'The Electricity (Rights of Consumers) Rules 2020'.
- 1) **Time period for new Service Connection-** As per Rule 4(11) of Electricity (Right of consumers) Rule, 2020 it is 7 days for metro, 15 days for Municipal, and 30 days for Rural, according to SOP regulations it is 30 days. Amendment proposed in SOP regulations 2015 Schedule-I Sl.No 9 and Regulation (85) of Kerala Electricity Supply Code regulation 2014.
 - 2) **Reconnection-** As per Rule 9(2) of Electricity (Right of consumers) Rule, 2020 it is within 6 Hours of remittance of dues, according to SOP regulations it is within 24 Hours of remittance of dues. Amendment proposed in SOP regulations 2015 Schedule-I Sl.No 20 and Regulation (174) of Kerala Electricity Supply Code regulation 2014.
 - 3) **Refund of security deposit-** As per Rule 9(1) of Electricity (Right of consumers) Rule, 2020 it is 7 days, according to SOP regulations it is 30 days. Amendment proposed in SOP regulations 2015 Schedule-I Sl.No 21 and Regulation (71) of Kerala Electricity Supply Code regulation 2014.
 - 4) **Meter testing in case of meter faulty -** On consumer complaint- As per Rule 9(1) of Electricity (Right of consumers) Rule, 2020 it is not exceeding 30 days, according to SOP regulations it is 5 days. Amendment proposed in SOP regulations 2015 Schedule-I Sl.No 22 and Regulation (116)(5) of Kerala Electricity Supply Code regulation 2014.
 - 5) **Faulty Meter Changing-** As per Rule 9(1) of Electricity (Right of consumers) Rule, 2020 it is 24 hours for urban areas and 72 hours for rural areas, according to SOP regulations it is 3 days for LT and 15 days for HT. Amendment proposed in SOP regulations 2015 Schedule-I Sl.No 23&24 and Regulation (118) of Kerala Electricity Supply Code regulation 2014.

The licensee further stated that the following items mentioned in Rules are not covered in existing Standards of Performance.

- 6) **Delay in serving First Bill** not included in SOP. Rule 6 (7, 8) specifies the time period for serving first bill as not exceeding two billing cycles. This time period may be included in SOP Regulations. Rule 6 (10) specifies if any bill is served with a delay: Rebate of 2 to 5% to be given to Consumers as specified by Commission.
- 7) **Number of interruptions** in supply beyond the limits as specified by the Commission. Rule 13(4)(ii)

8) **Time period within which bills are to be served.** Rule 13(4)(vii)

(3) KSEBL has also proposed the following modification in the **KSERC (Renewable Energy and Net Metering) Regulations, 2020.**

- 1) **Definitions modified "Prosumers":** means a person who consumes electricity from the grid and can also inject electricity into the grid for distribution licensee, using same point of supply; Rule 2 (1) (m). Amendment in RE Regulation Section 2(bc) & required.
- 2) **New Definitions:** The following definitions as per Amendment Rules, 2(ia) and (ja) are to be inserted.
 - a) **"gross-metering"** means a mechanism whereby the total solar energy generated from Grid Interactive rooftop Solar Photovoltaic system of a Prosumer and the total energy consumed by the Prosumer are accounted separately through appropriate metering arrangements and for the billing purpose, the total energy consumed by the Prosumer is accounted at the applicable retail tariff and total solar power generated is accounted for at feed-in tariff determined by the Commission;
 - b) **"net-billing or net feed-in"** means a single bidirectional energy meter used for net-billing or net feed in at the point of supply wherein the energy imported from the Grid and energy exported from Grid Interactive rooftop Solar photovoltaic system of a Prosumer are valued at two different tariffs, where-
 - (i) the monetary value of the imported energy is based on the applicable retail tariff;
 - (ii) the monetary value of the exported solar energy is based on feed-in tariff determined by the Commission;
 - (iii) the monetary value of the exported energy is deducted from the monetary value of the imported energy to arrive at the net amount to be billed (or credited/carried-over);
- 3) **The definition for Net metering needs amendment:** "net-metering" means a mechanism whereby solar energy exported to the Grid from Grid Interactive rooftop Solar Photovoltaic system of a Prosumer is deducted from energy imported from the Grid in units (kWh) to arrive at the net imported or exported energy and the net energy import or export is billed or credited or carried-over by the distribution licensee on the basis of the applicable retail tariff by using a single bidirectional energy meter for net-metering at the point of supply. Amendment Rules, 2(jb)
- 4) **Regulations in connection with net-metering, gross-metering, net billing or net feed-in:**

The arrangements for net-metering, gross-metering, net-billing or net feed-in shall be in accordance with the regulations made by the State Commission, from time to time:

Provided that where the regulations does not provide for net-metering, net-billing or net feed-in, the Commission may allow net metering to the Prosumer for loads up to five hundred Kilowatt or up to the sanctioned load, whichever is lower and net-billing or net feed-in for other loads:

Provided further that in the case of Prosumers availing net-billing or net feed-in, the Commissions may introduce time-of-the-day tariffs whereby Prosumers are incentivised to install energy storage for utilization of stored solar energy by them or feeding into the grid during peak hours thus helping the grid by participating in demand response of the Discoms:

Provided also that in case of net-metering or net-billing or net feed-in, the distribution licensee may install a solar energy meter to measure the gross solar energy generated from the Grid Interactive rooftop Solar Photovoltaic system for the purpose of renewable energy purchase obligation credit, if any:

Provided also that the Commission may permit gross-metering for Prosumers who would like to sell all the generated solar energy to the distribution licensee instead of availing the net-metering, net-billing or net feed-in facility and the Commission shall decided for this purpose the generic tariff for gross-metering as per tariff regulations.

Amendment Rule 3 (a).

The Commission may formulate appropriate regulations on arrangements for net- metering, gross metering, net billing or net feed in as per sub rule 4 of rule 11 of the Electricity (Rights of Consumers) Rules, 2020, amendment dated 30.06.2021.

- 5) **Technical feasibility Study in case of Solar:** Duration to be specified by Commission. Can be up to 20 days as per Rule 11(7). At present 15 days in RE Regulations 18 (4).
- 6) **Time line for signing the agreement:** shall not be more than thirty days from the date of submission of the installation certificate. Rule 11(9). Amendment in RE Regulation Section 19(7,9).
- 7) **Solar Commissioning and installation:** - Time period -30 days, Compensation -Not less than Rs. 500/- per day. Rule 11(12). Amendment in RE Regulation Section 62(1).

(4) KSEBL proposes the following modifications to be made in **KSERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2005**, with respect to the Consumer Rules, 2020:

a. **Rule 15(1) - Constituting CGRF from Sub Division Office level:** *The distribution licensee shall establish Consumer Grievance Redressal Forum (CGRF) under sub-section (5) of section 42 of the Act at different levels to cater the needs of the sub- division, division, circle, zone, company level. The forum shall be headed by an officer of the licensee of appropriate seniority. The forum shall consist of officers of the licensee and have not more than four members as consumer and prosumer representatives. The Appropriate Commission shall nominate one independent member who is familiar with the consumer affairs. The forum may be assigned different types of grievances depending on the nature of the grievance and the level at which it can be best resolved.*

Provided that the manner of appointment and the qualification and experience of the persons to be appointed as member of the forum and the procedure of dealing with the grievances of the consumers by the Forum and other similar matters would be as per the guidelines specified by the Commission. Hon'ble Commission may nominate independent member.

KSEB Ltd proposes to form a company level Consumer Grievance Redressal Forum (CGRF) as an in-house appellate body for the three prevailing Consumer Grievance Redressal Forums with one Chief Engineer as its head is proposed to be set up. Any consumer who is aggrieved by the order of the zone level CGRF shall approach the company level CGRF before moving to the Ombudsman. **Amendment required in CGRF Regulations 3(2) & 3(3).**

b. **Rule 15(2) - Time limit for settling the grievance:** *The licensee shall specify the time within which various types of grievances by the different levels of the forums are to be resolved. Normally, a grievance shall be decided with in a period of thirty days and in any case not exceeding fortyfive days from the date of receipt of such grievance. The consumer aggrieved by the decision of sub-divisional or divisional or circle forum will have the option to approach the company level forum before making an appeal to the Ombudsman. **Appropriate amendment is required in CGRF Regulations 10(6).***

c. Rule 15(3) - Consumer may approach Ombudsman if he is not satisfied by the decision of Company Level CGRF. If a consumer's grievance is not redressed by the company level forum within the specified time or the consumer is not satisfied with the disposal of his grievance, he will be free to approach the Ombudsman appointed by the Commission. **Amendment is required in CGRF Regulations 12(3).**

3. Further, KSEB Ltd vide letter dated 29.08.2022 submitted additional submission to the petition in the matter of Amendment of various regulations with respect to the Electricity (Rights of Consumers) Rules, 2020. In the additional submission, it was mentioned that, Rule 15(1) of the Electricity (Rights of Consumers) Rules, 2020 mandates that, the distribution licensee shall establish Consumer Grievance Redressal Forum (CGRF) under sub-section (5) of section 42 of the Act at different levels to cater the needs of the sub- division, division, circle, zone, company level. In view of Clause 15(1) of the Rule, 2020, KSEB Ltd submitted that the Project Management Unit (PMU), Executive Engineer in District Head Quarters may be appointed as CGRF Chairperson of that District. Other members will be as stipulated in the Rules. The existing Zonal Level CGRF's may be the appellate authority before going to Ombudsman. PMU Executive Engineer will exercise his/her duty as CGRF Chair Person along with the duties assigned by KSEBL from time to time.

Hearing on the Petition

4. The Commission admitted the petition as OP No. 23/2023 and a public hearing on the petition was held through Hybrid Mode on 21.06.2023. The list of the participants attended the hearing is enclosed as Annexure.

5. The deliberations during the hearing are detailed below:

(1) KSEB Ltd was represented by Sri Suresh A, EE (TRAC) who made a detailed presentation in the petition. The summary of the issues raised by KSEB Ltd is below:

I. Ministry of Power (MoP) has notified Electricity (Rights of Consumers) Rules, 2020 on 31.12.2020 and its amendments on 28.06.2021 containing various provisions which ensures better services to the electricity consumers. The rule contains specific provisions for:

- a. Simplified and online procedure for service Connections, metering, billing etc.
- b. Net-metering, gross metering, net-billing.
- c. Timeline and standards of compensation at different levels
- d. Establishing grievance mechanism at different levels.

II. Accordingly, as per the present petition modification is proposed in Kerala Electricity Supply Code, 2014 in line with Electricity (Right of Consumers) Rules 2020 on the following regulations;

- a. Regulation 2(6) modify with Rule 2(1) b
 - b. Regulation 2(33) modify with Rule 2(1)h
 - c. Regulation 2(60) modify with Rule 2(1)k
 - d. Regulation 2(74) modify with Rule 2(1)n
 - e. Regulation 76(8) modify with Rule 4(7)
 - f. Regulation 103(1) modify with Rule 4(10)
 - g. Regulation 32(1) modify with Rule 4(13)
 - h. Regulation 85(1)b modify with Rule 4(13)
 - i. Regulation 121(1)b modify with Rule 5(1)
 - j. Regulations 116(4) & 116(5) modify with Rule 5(7)
 - k. Regulation 115(4) modify with Rule 5(8)
 - l. Regulation 115(8) modify with Rule 5(11)
 - m. Regulation 118(4) modify with Rule 5(13)
 - n. Regulation 176(b) modify with Rule 6(1)
 - o. Regulation 122(7) modify with Rule 6(8)
 - p. Regulation 129 modify in with Rule 8(1)
 - q. Regulation 147(1) modify with Rule 9(2)
 - r. Regulation 71 modify with Rule 9(1) b
- III. Modification required in Standard of Performance of Distribution Licensee, Regulations, 2015, in line with Electricity (Right of Consumers) Rules 2020 are:
- a. Time period for new Service Connection;
 - b. Reconnection;
 - c. Refund of security deposit;
 - d. Meter testing in case of meter faulty;
 - e. Faulty Meter.
- IV. KSEB Ltd also submitted proposals for amending KSERC (Renewable Energy and Net Metering) Regulations, 2020 and KSERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2005.
- V. It was also submitted that KSEB Ltd shall submit the revised comments on Supply Code, based on the draft regulations proposed to be published by the Commission and are not presently pressing the amendments proposed in the present petition.
- VI. It was further submitted that since the points mentioned for amending the (Renewable Energy and Net Metering) Regulations, 2020 and KSERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2005 have already been addressed by the Commission, the requirement for amendment have already been catered.
- (2) Sri. M. Sambasivan, General Convener Urjamithra, Kerala submitted that the least investment done by a consumer is about 1.5 lakh rupees for

installing a 2kW solar system for grid connection. According to him, consumers can anticipate an increase in electricity charges in the future but will see a significant return on investment within 3-5 years. For the following 25 years, they will receive free electricity supply from solar panel installation. The investment is presented as a friendly and beneficial long-term option. However, it is important to conduct research before making any investment decisions in the solar energy sector as there is a lack of awareness about solar system among officers within KSEB Ltd itself. It was also stated that the consumers are facing delays in processing of solar applications. Specifically, there is delay for processing subsidy papers at KSEB Ltd offices in Kerala. He suggested that the Commission may intervene in this matter to take action that include increasing awareness among KSEB staff, streamlining processes and providing consumer support which can help improve the situation and make the solar energy adoption process more efficient. It was also mentioned that Urjamithra is having serious concerns about possibility of replacing of Net meters with Gross Meters.

- (3) Smt. Neenu S Skaria representing KSSIA Ernakulam, submitted the Order from CGRF is usually in favour of the licensee. It was also stated that delay in filing the review petition against the Order of CGRF may have had an impact on the outcome. With regard to Renewable Energy regulations, it was suggested that the net metering limit upto 1MW may be continued. Further expressed concerns about KSEB Ltd charging more than the Commission approved rates for SLDC charge and Transmission & Distribution (T&D) loss charge, for the Independent Power Producers (IPP) who are having an agreement with KSEBL.
- (4) Sri. Mohammed Fayaz Salam, President of the Confederation of Renewable Energy (CORE), has submitted the following concerns and suggestions
 - a) Kerala State Electricity Board Ltd has petitioned that the Central Act has to be abide by Kerala. But the Ministry of Power notification dated 28th June 2021, clause 3, sub rule(4) *Provided that where the regulations does not provide for net-metering, net-billing or net feed-in, the Commission may allow net metering to the Prosumer for loads up to five hundred Kilowatt or up to the sanctioned load, whichever is lower and net-billing or net feed-in for other loads.* "
 - b) Kerala is a state which is a proactive green and renewable energy pro state, which has a clear regulation in place for Net metering, and hence the above statement in the Electricity (Rights of Consumers) Rules, 2020 does not apply to a state like Kerala. He requested before the Honourable Commission to set aside the net-billing/net feed-in tariff above 500 kWp in Kerala, as proposed in the petition and to retain net metering up to 1000kW as existing in the current original regulation of 2020.
 - c) Further, mentioned that KSEB Ltd has presented the same matter in the hearing without any additional grounds or changes in the scenarios, and hence requested to reject this petition outright.

- d) He stated that KSEB Ltd has not attained the RPO obligations set by the Central Ministry of Power yet. And as per KSEBL, they are having an operational profit of Rs. 1466 Crores and even after deducting the return of equity, it has an operational profit of Rs. 960 Crores. The overall losses due to the non-introduction of Gross metering is less than Rs. 7 Crores as per estimates (considering the RPO advantage etc), hence, there is no need for implementing gross-metering/net billing/net feed-in tariff in the state. He further requested that gross-metering/ net billing /net feed-in should not be allowed to be implemented in the State.
- e) It was also mentioned that, the consumption of power in Kerala is expected to rise exponentially due to the increase in number of Electric Vehicles, lifestyle changes etc. Hence, mentioned that measures to promote Renewable Energy shall be considered.

(5) Sri Rajumon P.C DGM & head of Electrical Department, Cochin International Airport Ltd (CIAL) submitted the following;

- a) M/s CIAL has mentioned that, they had invested about RS. 270 cores in various Solar plants and will not been able to recover half of its investments, if they did not get the net meter facility. When CIAL ventured into the solar Power sector there were no additional charges attached to the energy exported to the grid, whereas now there are several additional charges such as grid support charges, banking charges, impact due to changes in the solar year, changes in peak and off-peak settlement ratio, all of which have severely affected the financial viability.
- b) Many inverters manufacturers, which CIAL has used in their solar plants have seized their operations and CIAL is barely getting support from OEM for repair and replacement. Also, looming uncertainty because of the closure of operations of a few module manufacturers who give CIAL 25 years warranty for the Solar Modules. These factors increase the operation and maintenance expenditure charges. When gross metering is introduced for solar plants the financial viability of CIAL aggravates further. If gross metering is introduced, CIAL fears that no developers will come forward to implement Solar power plants in the future in our state and all existing captive power producers will be seriously impacted.

(6) Sri Pradeep, General Secretary representing HT & EHT Association Submitted the following;

- a) Draft manual of procedure for processing and resolving the complaints of consumers published on 26 Dec 2019 and is rejected as on 12 Jan 2021, in view of the notification of Electricity (Right of Consumers) Rules,2020. The Commission cannot issue any regulations or orders which are inconsistent with the rules and requested the Commission to conduct a public hearing when publishing the new draft.

- b) Kerala State Electricity Board Limited (KSEB Ltd), has filed a petition vide OP No.34/2022 seeking modification of the KSERC (Renewable Energy and Net Metering Regulations),2020 in line with the "The Electricity (Rights of Consumers) Rules, 2020 and the Electricity (Rights of Consumers) Amendment Rules, 2021 and considering the present trend of solar generation. The Commission had rejected the petition in its order dated 16/7/2022 clearly mentioning - "With the above observations the Commission hereby rejects the prayer of the KSEB Ltd to introduce "Gross metering/net-billing or net-feed- in" schemes in the State". KSERC also emphasised its view as. "*A provision to incentivise the installation of solar generation cannot be misinterpreted to restrict an already existing provision in a State Regulation*". Request the commission to continue existing regulations KSERC (Renewable Energy and Net Metering Regulations),2020.
 - c) The Hon'ble Commission may publish a draft Amendment on KSERC Kerala Supply Code 2014, KSERC (Standards of Performance) 2015, and convene a hearing on the draft regulation KSERC (Consumer Grievance Redressal Forum) 2023, in the website and invite feedback from all stakeholders. A public Hearing on the published draft is requested to enable all stakeholders to respond with their views *and requests*.
- (7) Sri A. R Satheesh submitted that as per Consumer Rules 2020, there are several rules that are beneficial for consumers, and a major one is the Compensation mechanism wherein the Consumer shall be automatically compensated for those parameters which can be monitored remotely when it can be successfully established that there is a default in performance of the distribution licensee. KSEB Ltd has not paid any compensation towards consumers as per the provisions of Electricity Supply Code 2014. Commission may provide a provision for automatic Compensation to the consumers in Supply Code Amendment, if the licensees know the details.

Analysis and Decision of the Commission

- 6. The Commission has examined in detail the petition filed by KSEB Ltd for amendment of various regulations with respect "The Electricity (Right of Consumers) Rules, 2020" and "The Electricity (Right of Consumers) Amendment Rules, 2021", the clarifications submitted by the licensee, the counter statements/views presented by the stake holders during the hearing.
- 7. KSEB Ltd had proposed modifications to the Kerala Electricity Supply Code 2014. However, the power to make regulations or to amendment for regulations needs to be exercised by the Commission by following due procedure, which includes the previous publication of the proposed draft regulation/amendment regulation, providing opportunity to all stakeholders to provide their comments on the proposal etc. The due process cannot be replaced through a petition filed by a licensee. At the same time, the Commission having taken note of various requirements including the notification of Right to Consumers Rules, 2020, is in

the process of publishing the draft amendment to the Kerala Electricity Supply Code, 2014. The proposals provided by KSEB Ltd and the views expressed by various stake holders can be considered appropriately while preparing the draft. Accordingly, the commission directs the staff of the Commission to prepare the draft amendments for consideration of the Commission and previous publication.

8. With regard to amendments on the KSERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2005, the Commission have already published the draft Regulations on 17th May 2023. KSEB Ltd can submit their views on the draft. Commission has already scheduled public hearing on the matter and the Regulations will be finalised in consideration of views and comments received.
9. The Commission takes note of the submission for amendments in the KSERC (Standards of Performance of Distribution Licensees) Regulations, 2015, and directs the staff of the Commission to propose draft Regulation in the view of the Rules, 2020, for consideration of the Commission, for publishing the draft and inviting views/comments of all stake holders.
10. With regard to amendments on the KSERC (Renewable Energy and Net Metering) Regulations, 2020, the Commission have already amended the said regulation in 15th July 2022.

ORDER OF THE COMMISSION

11. The Commission after detailed examination of the petition filed by KSEB Ltd, comments and suggestions of various stakeholders during the public hearing held on 21.06.2023, the provisions of the Electricity Act, 2003, the Regulations and Rules in force, hereby rejects the instant petition along with appropriate direction, based on the reasons given in the preceding paragraphs of this Order.

Sd /-

Sri. B. Pradeep
Member

Sd/-

Adv. A. J. Wilson
Member

Sd/-

Sri. T.K Jose
Chairman

Approved for issue

Sd/-
CR Satheeshchandran
Secretary

Annexure

List of stakeholders participated in the public hearing held on 21.06.2023

1. Shri. Sajeev G, Chief Engineer (Commercial & Tariff)
2. Shri. Rajan.M.P, Deputy Chief Engineer, TRAC,KSEB Ltd
3. Shri. Suresh A, Executive Engineer (TRAC)
4. Shri. Sujith T R, Assistant Executive Engineer(TRAC)
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6. Shri. Rajesh R, Executive Engineer(TRAC)
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8. Shri. Santhosh Kumar, KMML
9. Shri. Arun S Assistant Engineer, Infopark
10. Shri. Vijayan V R, AGM Infopark
11. Shri. M.Sambasivan, General Convener Urjamithra
12. Smt Neenu S Skaria, KSSIA Ernakulam
13. Shri Mohammed Fayaz Salam, President CORE(Confederation of Renewable Energy)
14. Shri Rajumon P C DGM & Head of Electrical Department, CIAL(Cochin International Airport Ltd)
15. Shri Pradeep, General Secretary HT&EHT Association
16. Shri. Aji
17. Shri. Mathew Paul
18. Shri. Ajith Kumar K N
19. Shri. Firoz N
20. Shri A R Satheesh