

CE(Dist)/D-III/Circular/22197

Date :20.05.2008

Sub: Guidelines for releasing new connections and augmentation.

Ref:

1. **MERC Order 8th September 2006 in case No.70/2005, Schedule of charges.**
2. **T.O.Circular,PR-3/COS/34587 dated 27.09.2006.**
3. **Order of Hon Supreme Court in case no 20340 of 2007.**
4. **MERC Order 16th February 2008 in case No. 56/2007.**

There is a need to clarify and streamline the procedure for levying reasonable charges under section 46 of EA 2003 and the regulations framed thereunder for releasing/upgrading connections. It has been brought to our notice by consumers and petitions before MERC that field staff are often making different subjective interpretation of Dedicated distribution Facility (DDF) and Augmentation under regulation 3.3.3 and 3.3.4 of MERC (Electricity Supply Code and other conditions of Supply) ,Regulations, 2005 resulting in confusion and hardship to the consumers. In order that field engineers follow uniform practice throughout the State and to avoid hardship to prospective consumers and to remove the difficulties in release of new connections, the following guidelines are issued which shall be subject to the final decision in the proceedings pending before the Hon'ble Supreme Court and MERC.

Sr. No.	Particulars	Recovery of Charges
1.	1.1 LT Non-domestic, LT residential consumers , consumers or group of LT consumers of Non-domestic & Residential complex where the load is less than 500 KVA and, located within the limits of Areas “A” and “B”.	a) All the infrastructure will be created by MSEDCL & only Schedule of Charges as approved by MERC order dated 8 th September ' 2006 (case no. 70/2005) will be recovered
	1.2 All LT agriculture consumers	b) If the consumer/ group of consumers wants early connections and opts to
	1.3 All LT industrial individual or	

	group consumers	<p>execute the work and bears the cost of Infrastructure then the refund of the cost of infrastructure will be given by way of adjustment through energy bills.</p> <p>c) While releasing load in complex/s and where DTC is required to be established in that complex, the provision for land to accommodate DTC shall be made available by the developers from the space earmarked for amenities and public utilities be made available to MSEDCL on non chargeable basis by developer / owners.</p>
2	LT Non-domestic, LT residential consumers, consumers or group of LT consumers of Non-domestic & Residential complex where the load is less than 500 KVA and falling in Area "C".	<p>The consumers will have option to</p> <p>a) get connection as Dedicated Distribution Facility(DDF) and bear all the expenditure. The line will remain dedicated to the consumers in future.</p> <p>or</p> <p>b) get the connection on non Dedicated Distribution Facility (DDF) basis and bear the expenditure on creation of infrastructure (except the cost of land) which will be refunded to the consumer/s through the energy bills. In this case the infrastructure will not remain dedicated.</p>
3	Group of LT consumers in Non-domestic, Residential complex where the load is equal to or more than 500 KVA.	Generally, the loads of 500 KVA and above are availed to cater to the exclusive requirement of complex in the form of Dedicated Networks to such complex and in most of the cases the infrastructure including the

	<p>transformer, lines and other allied equipments are required to be installed in the developer's premises itself and remains for the exclusive use of the complex. Therefore, the developer or the group of consumers shall be given connection as Dedicated Distribution Facility (DDF) which will not include the cost setting up or augmentation of 33/11 or 22/11 KV sub-station. The line will remain dedicated to the consumers in future.</p> <p>If the complex load is 3 MVA or more, then 33/11 KV s/s or 22/11 KV shall be established to cater such load, in that complex. However the cost of substation or associated facility shall be on account of MSEDCL. The provision for land to accommodate substation shall be made available by the developers from the space earmarked for amenities and public utilities on non chargeable basis. In this case because MSEDCL incurs expenditure on the construction of the substation and lines, MSEDCL will be at liberty to provide power supply from that substation / lines to other consumers.</p> <p>But the developer can choose to construct the substation as Dedicated Distribution Facility and bear all expenditure if he wants that substation to remain dedicated to that complex only. In that case, the substation shall remain dedicated to that complex in future and no connections from that substation shall be released to other consumers.</p>
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Considering the overall availability of the infrastructure vis-à-vis the new infrastructure required to be created and to maximize the release of new connections, the areas are classified as follows:

Area “A”: The areas falling within the limits of 5 Kms of Municipal Corporations, 2 Kms of Municipal Councils, and 1 Km of existing village gaothans including MIDC areas.

Area “B”: The areas falling outside the Area “A” and which are within 600 meters of non-dedicated 11 KV/22 KV HT line.

Area “C”: The areas falling outside the limits of Area “A” and Area “B”.

Procedure to plan for electrifying areas and releasing new connections: --

In order to discharge the universal supply obligation u/s 43 of EA 2003 and recovery of charges u/s 46 of EA 2003, and MERC Electricity Supply Code ,Regulations, 2005 and in compliance of MERC Order dated 8th September 2006 in case No.70/2005, the following procedure shall be followed.

- 1) For consumers falling in BPL and weaker section and residing in any area including Area “C” , MSEDCL through special schemes develop infrastructure on priority and release connections.
- 2) Chief Engineers and their field officers will regularly and proactively review the developments taking place in their Areas and plan and prepare schemes/DPR for creating infrastructure for extending electric connections to consumers in these areas and obtain funding from Financial Institutions and keep the works on shelves and in appropriate cases keep the contracts and materials (in case the work is to be done through non-turnkey contractors) ready for execution. As soon as

demand from potential consumers come, the work under these schemes should be executed and connections should be released. In areas where fast and concentrated, and large developments are taking place, the field officers shall proactively plan and create backend infrastructure such as creation/up gradation of substations to meet immediate future demand.

- 3) The list of pending applications in order of chronology, (category wise) shall be maintained. In case any consumer or group of consumer wants early connections out of its own volition or choice, he may get the work executed at his expense under MSEDCL supervision and get the refund of the expenses so incurred through his energy bills. However he will have to get the estimates and specifications sanctioned from the appropriate authorities and he will not be required to pay supervision charges to MSEDCL.
- 4) The power supply to agricultural pump sets be released as per prevailing practice. This will facilitate to remove the backlog of release of Agricultural connections in GoM notified Backlog Districts as well as in non-backlog districts. The net result of this will be to release power supply to Agricultural consumers, on demand.

For dedicated distribution facility (clause 3.3.3 of MERC Regulations 2005):--

The total infrastructure cost from the applicant shall be recovered seeking dedicated distribution facility. A separate account of such connections shall be maintained for official purpose.

The contents of this circular shall be brought to the notice of all field staff up to the level of Sectional Engineer, immediately. The deviation from the guidelines will be viewed seriously.

Sd/-
Chief Engineer(Distribution)

Copy swrt:---

- 1. Managing Director , MSEDCL**
- 2. Director (Operations) MSEDCL**
- 3. Director (Finance) MSEDCL**
- 4. Director(V&S),MSEDCL**
- 5. Executive Director –CP/I/II/III/HR MSEDCL**

Copy swrt:--

**The Secretary MERC, World Trade Centre 13th floor, Cuffe parade,
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Copy to:--

- 1. All Chief Engineers Comm /PP /IR /LM /DSPC /AMR /APDRP/
Stores /PCDF**
- 2. Chief General Manager F&A/ T/E/Chief Legal Advisor/General
Manager (Fin-Cap)/Corporate Acctts.**
- 3. All Chief Engineers(O&M) Zones**
- 4. All Superintending Engineers (O&M) Circles.**
- 5. All Executive Engineers /SDOs**