

HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION, SHIMLA

NOTIFICATION

Shimla, the 22nd April, 2021

No. HPERC/414/(Security Deposit).- WHEREAS the Himachal Pradesh Electricity Regulatory Commission (Security Deposit) Regulations, 2005 were published in the Rajpatra, Himachal Pradesh, dated 30th March, 2005 (hereinafter referred as “the said regulations” and subsequently its first amendment dated 10.12.2012 and second amendment dated 31.08.2015 were also incorporated in the same;

AND WHEREAS the Commission also notified the Himachal Pradesh Electricity Regulatory Commission (Security Deposit) (Third Amendment) Regulations, 2020 on 3rd July, 2020 which were published in the Rajpatra of Himachal Pradesh on 4th July, 2020;

AND WHEREAS the HPSEBL further filed OMP No. 378 of 2020 under Ex. Petition No. 8 of 2016 before the Hon’ble High Court of Himachal Pradesh where the Commission is also one of the Respondent. Vide this OMP, the HPSEBL prayed the Hon’ble High Court that the increase in security deposit amount vide HPERC third amendment regulations, 2020 is definitely disproportionate and would virtually amount to denying the electricity connection to rural people and poor farmers, who constitute the major chunk of population and electricity consumers and is thus required to rationalized;

AND WHEREAS the Hon’ble High Court vide its order dated 27th November, 2020 in the OMP No. 378 of 2020 filed under Ex. Petition No. 8 of 2016 allowed the application filed by the HPSEBL and permitted the HPSEBL to approach the HPERC by moving a revised proposal for amendment to re-visit the Security Deposit Regulations, 2020 highlighting therein the ground reality vis-a vis the interest of all the categories of consumers so as to enable the HPERC to re-examine the issue after discussions and deliberations with all stake holders after complying with all the statutory requirements laid down under the Act and Rules framed there under. Till such time, the Amended Regulations of 2020 are

ordered to be kept in abeyance. The Hon'ble High Court further stated that HPERC will consider and decide the proposals as expeditiously as possible preferably before the next date of hearing i.e. 04.06.2021;

AND WHEREAS the HPSEBL submitted a revised proposal to the Commission on 20.03.2021 where they have proposed to make changes in the existing provisions of Initial Security Rates and further to reduce the factor for review of security deposit from (n+1.35) to (n+1.25). The HPSEBL has also proposed to review of Initial Security Deposit for new consumers or additional load after 6 months from the date of release of connection and to reduce the period between temporary disconnection to permanent disconnection and also the due date for bill payment;

NOW, THEREFORE, the Himachal Pradesh Electricity Regulatory Commission in exercise of the powers conferred under in sub-section (3) of section 181 of the Electricity Act, rule 3 of the Electricity (Procedure for Previous Publication) Rules, 2005, and all other powers enabling it in this behalf, hereby proposes to incorporate certain amendments in the Himachal Pradesh Electricity Regulatory Commission (Security Deposit) Regulations, 2005 as per the following draft amendment regulations which are hereby published for the information of all the persons likely to be affected thereby and notice is hereby given that the said draft amendment regulations will be taken into consideration after the expiry of thirty (30) days from the date of publication of this notification in the Rajpatra, Himachal Pradesh, together with any objections or suggestions which may, within the aforesaid period, be received in respect thereto. The text of the aforesaid draft amendment regulations alongwith explanatory memorandum is available on the website of the Commission i.e. <http://www.hperc.org>.

The objections and suggestions in this behalf should be addressed to the Secretary, Himachal Pradesh Electricity Regulatory Commission, Vidyut Aayog Bhawan, Block No.-37, SDA Complex, Kasumpti, Shimla-171009.

DRAFT REGULATIONS

1. Short title and commencement.- (1) These regulations may be called the Himachal Pradesh Electricity Regulatory Commission (Security Deposit)(Fourth Amendment) Regulations, 2021.

(2) These regulations shall come into force from the date of their publication in the Rajpatra, Himachal Pradesh.

2. Amendment of regulation 3.-

In proviso to sub-regulation (1) of regulation 3, for the words “required for its own use”, the words “required by it for its own use” shall be substituted.

3. Amendment of regulation 4.-

In regulation 4 of the said regulations –

- (i) in sub-regulation(1), for the words “at the rates worked out” shall be omitted ;
- (ii) in sub-regulation (2), for the word “is prepared to take”, the word “takes” shall be substituted ;
- (iii) in sub-regulation(3), for the words, figures and sign “the amount equivalent to the average bill (excluding arrears but including late payment surcharge, if any) for (n+1.35) months based on the bills raised in relation to the period of twelve billing months (April to March) of the immediately preceding year”, the words, figures and sign “the amount equivalent to the average monthly bill (net of arrears and subsidy, if any) for (n+1) months based on the bills raised in relation to the period of twelve billing months immediately preceding the date of such demand ” shall be substituted;
- (iv) in sub-regulation (4), for the words, figure and sign “in the form of cash/demand Draft (DD) drawn in favour of the licensee” , the words and sign “paid in the form of cash/demand Draft (DD) drawn in favour of the licensee or through electronic mode” shall be substituted ;

(v) in sub-regulation (5), for the words, figure and sign “in the form of cash/demand Draft (DD) drawn in favour of the licensee” , the words and sign “paid in the form of cash/demand Draft (DD) drawn in favour of the licensee or through electronic mode” shall be substituted;

(vi) in item (b) of sub-regulation (6), for the words, figure and sign “in shape of cash/demand draft”, the words and sign “in the form of cash/demand draft or through electronic mode” shall be substituted; and

(vii) in sub-regulation (7), for the words and sign “in shape of cash/demand draft etc.”, the words and sign “in the form of cash/demand draft or through electronic mode” shall be substituted.

4. Amendment of regulation 5.-

In regulation 5 of the said regulations -

(i) in sub-regulation (1), for the words, figure and sign “at the rates worked out in sub-regulation (2) of this regulation”, the words, figure and sign “at the rates as per sub-regulation (2) and sub-regulation (3) of this regulation” shall be substituted ;

(ii) for sub-regulation (2), the following sub-regulation (2) shall be substituted, namely :-

“(2) The distribution licensee shall recover the initial security deposit per kW or per kVA, as the case may be, as per following table:-

Table

Sr. No.	Type of Category	Bi-monthly billing	monthly billing
1.	2.	3.	4.
1	Tribal areas, remote, difficult and hard areas		
(a)	Domestic	165	-
(b)	Commercial / NDNC		
(i)	Upto 20kW	165	-
(ii)	Above 20kW	240	-

(c)	Small & Medium Industrial Power Supply upto 20kW	300	-
(d)	Irrigation and Drinking Water Pumping Supply (IDWPS)	500	-
2	Rural areas		
(a)	Domestic	240	120
(b)	Commercial / NDNC	350	175
(c)	Irrigation and Drinking Water Pumping Supply (IDWPS)	500	250
3	Urban areas		
(a)	Domestic	340	170
(b)	Commercial / NDNC	-	600
(c)	Irrigation and Drinking Water Pumping Supply (IDWPS)	-	600
4	Small and Medium Industrial Power Supply for all areas		
(a)	Upto 20 kW (except for tribal, remote, difficult areas)	-	1000
(b)	Above 20kW		
(i)	above 20kW & upto 50kW	-	1250
(ii)	above 50kW	-	1500
5	Large Industrial Power Supply for all areas	-	2000
6	Bulk Supply for all areas	-	2000
7	Temporary Metered Supply for all areas	-	1700
8	Street Lighting Supply for all areas	-	1250
9	Railway Traction Supply for all areas	-	2000

Provided that the Below Poverty Line (BPL) beneficiaries in the State for supply of electricity to them, for residential or domestic usage, shall pay the initial security deposit equal to 'one half' (or '50%') of the respective rate of initial security deposit, specified in the Table under sub regulation (2).

Explanation.-For the purpose of this regulation,-

- (a) "Remote, Difficult and Hard Areas" means the areas which are declared as remote, difficult and hard areas by the State Government from time to time.
- (b) "Rural Areas" means the areas which are not the urban areas.

- (c) “Tribal Areas” means such areas as may, by order, be declared to be Scheduled Areas under Part-C of the Fifth Schedule to the Constitution of India.
- (d) “Urban Areas” mean the areas covered under a Municipal Corporation, Municipal Council or a Nagar Panchayat set up by the State Government under any law enacted by the State Legislative Assembly and shall also include the area falling under the Cantonment Board constituted by the Central Government under the Cantonment Act, 2006.
- (e) “Below Poverty Line (BPL) beneficiary” means the person belonging to very poor category of persons below poverty line, declared as such, by general or special order, by Central/State Government, from time to time.; and
- (iii) for sub-regulation (3), the following sub-regulation (3), shall be substituted, namely :-
- “(3) The rates of initial security deposit as per sub-regulation (2) of this regulation shall be enhanced by 5% every three years. The rate applicable for the respective categories in the month immediately preceding the date of such enhancement, shall be enhanced by 5% and rounding off the same to nearest to Rs. 10 per kW / kVA as the case may be (by ignoring the fraction of 0.5 or less). The distribution licensee shall circulate such new rates to its field units by 31st May of the year 2024 and every three years thereafter for implementation by the field units from 1st July of the year 2024 and every three years thereafter.”

5. Amendment of regulation 6.-

In regulation 6 of the said regulations:-

- (I) under sub-regulation (1) –
- (i) the following first proviso shall be inserted, namely :-

“Provided that in case of connections released after 1st July, 2021, the first review shall be made, on the basis of average monthly bill

based on the bills raised till such date of review, on the first day of the quarter immediately preceding the quarter in which the period of six months starting from the date of connection, expires :” ; and

- (ii) in existing first proviso, for the words “Provided that”, the words “Provided further that” shall be substituted.
- (II) in second proviso to sub-regulation (2), for the words, figure and sign “the amount of additional security deposit to be demanded in any period of three months shall not exceed 30% of the average monthly bills raised in relation to the period of twelve billing months (April to March) of the immediately preceding year”, the words and figure “the amount of such demand of additional security deposit shall be payable in three equal quarterly installments and first such installment shall be payable within 60 days from the date on which demand is raised” shall be substituted.

6. Amendment of regulation 8.-

In sub-regulation (2) of regulation 8 of the said regulations-

- (i) for the words, figure and sign “apportioned against the security deposit for the balance connected load/contract demand, as the case may be, worked out at the rates of initial security deposit as applicable for FY 2020-21 or any subsequent period encompassing the effective date of such reduction and the balance amount of security deposit already recovered, if any,”, the words, figure and sign “apportioned, on pro rata basis (i.e. on per kW / kVA basis of the sanctioned connected load / contract demand), against the security deposit for the balance connected load/contract demand, as the case may be and the same” shall be substituted ;
- (ii) at the end of the para , the following new first proviso shall be inserted namely, :-

“Provided that the amount of security deposit to be retained for the balance connected load / contract demand shall, in no case, be less than the amount worked out at the rates of initial security deposit

applicable on the effective date of such reduction or the same worked out on pro rata basis (per kW or per kVA as the case may be) for (n+1) months based on the average monthly billing in relation to the twelve billing months immediately preceding the effective date of such reduction , whichever is higher:”; and

- (iii) for existing first proviso, for the words “Provided that”, the words, “Provided further that” shall be substituted.

By order of the Commission

Sd/-
Secretary