

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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PRACTICE DIRECTION

CLARIFICATIONS RELATING TO BILLING OF CONSUMER DURING COVID-19
LOCKDOWN

MERC (ELECTRICITY SUPPLY CODE AND OTHER CONDITIONS OF SUPPLY)
REGULATIONS, 2005 (The Supply Code)

9 May, 2020

Preamble:

In order to ensure social distance for controlling the spread of COVID-19 and in order to minimise public interface of Distribution Licensee's personnel, the Commission has already issued a Practice Direction dated 26 March 2020 suspending meter-reading activities and issuing bills to the consumers based on actual meter reading , if available through AMR or based on average consumption as per provisions of Supply Code Regulations.

Further, vide MYT Orders dated 30 March 2020, the Commission has approved a moratorium on payment of fixed charges of the electricity bill by consumers under Industrial and Commercial category for next three billing cycles beginning from the lockdown date of 25 March, 2020.

Now, some of Distribution Licensees in the State have sought clarification on certain aspects of billing to consumers during lockdown period. On enquiry, it is observed that every Distribution Licensee is adopting different approach for consumer billing. Therefore, in order to remove any billing ambiguity among consumers of different utilities especially among those of Mumbai where parallel licensees operate, the Commission thinks it fit to issue clarifications through the instant Practice Direction for the guidance of the Distribution Licensees and Consumers.

Accordingly, using its power vested under Regulation 22 of the MERC (Electricity Supply Code and Other Conditions of Supply) Regulations, 2005, the Commission issues following practice direction:

Practice Direction:

- a. The Commission has made it clear in its tariff order of 30 March 2020 that moratorium of 3 billing cycles has been given to the industrial and commercial establishments. It is further clarified that those consumers would be liable to pay this amount in the subsequent three billing cycles in equal interest free instalments. If the consumers choose to pay entire moratorium amount in one go, rebate of 1 % on that would be given to such consumers.
- b. Energy bills would be prepared on actual basis if Automatic Meter Reading (AMR) is in place. Otherwise, it would be average bill calculated as per Supply Code Regulations which then will be adjusted subsequently once actual meter reading is available. In normal circumstances, no holding cost is paid, or interest is recovered from consumers for higher or lower assessment. However, considering lockdown situations on account of COVID-19, for excessive recovery from Industrial and Commercial consumers, on account of possibility of higher assessment for a month, only a token amount based on 10 % of the average energy consumption would be billed to premises under Lockdown.. A holding charge (@ rate of one month MCLR of SBI applicable on date of billing) would be payable by utilities to the consumers on the excess money recovered. Similarly, carrying cost would be levied on consumers if the average bill as above works out to be less than the actual bill. Consumers can voluntarily pay any amount over and above the assessed bill to avoid payment of carrying cost.
- c. Delayed Payment Charges on the unpaid amount would be reduced to 50 % if the recovery is 80% and above of the bill amount. If the bill amount based on actual energy consumption works out to be less than the billed amount raised based on average consumption, then DPC amount needs to be recomputed based on actual bill amount and any excess paid DPC shall be refunded with holding charge at rate mentioned in para 'b' above.
- d. There is no change in all the other billing issues including prompt payment discount, incentive for digital payment etc.

- e. Utilities are free to extend any further concessions as part of their business needs from out of their 'return on equity' amount or any other own 'reserve' that they have built in their accounts over time.

This Practice Direction shall remain valid for consumer billing for the period in which the Government's Order imposing restrictions on account of COVID-19 is in force.

Sd/-
(Mukesh Khullar)
Member

Sd/-
(I.M.Bohari)
Member

