

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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PRACTICE DIRECTIONS
UNDER
ELECTRICITY SUPPLY CODE REGULATIONS, 2005

REQUIREMENT OF EXECUTING AGREEMENT

Date: 5 December, 2018

1. Background:

- 1.1. Consumer applying for new electricity connection, change of name or enhancement of sanction load has to enter into an Agreement with the Distribution Licensee. Regulation 6 of MERC (Electricity Supply Code and Other Conditions of Supply), Regulations, 2005 deals with the Agreement between the consumer and Distribution Licensee. Regulation 6.1 reproduced below requires execution of Agreement:

“6.1 The Distribution Licensee may require the applicant to execute an agreement for obtaining a new connection, for change of name and for enhancement of sanctioned load:

Provided that for sanctioned load of less than fifty kilo-watts (67 HP / 63 kilo-volt-amperes), the agreement provided for in this Regulation 6.1 shall not be required and the application form submitted and accepted shall constitute the agreement.”

- 1.2. Thus as per above Regulation, consumer with sanctioned load less than 50 kW need not to execute separate agreement and its application itself is treated as Agreement. Such facility is not available with the consumer having sanction load equal to or above 50 kW. These consumers need to execute separate Agreement with the Distribution Licensee.
- 1.3. With endeavor to simplify process of getting new electricity connection, Distribution Licensees in Maharashtra have provided option to the applicant to submit online application for new connection. However, due to mandatory requirement of executing Agreement, even after applying online for new connection, consumer with sanction load equal to or more than 50 kW has to offline submit separate notarized Agreement in physical form and only after that such compliance, electricity connection can be released to such consumer. This process takes additional time and delays releasing new connection. The matter of improving this practice has been under discussion with the Distribution Licensees.

1.4. In the background of these discussions, the Commission observes that basic intention of executing Agreement is to take undertaking from the prospective consumer that it will abide by terms and conditions mentioned in that Agreement, which are based on the provisions of the Electricity Act, 2003, applicable Regulations and Orders of the Commission. In the opinion of the Commission such undertaking can also be taken online by providing such terms and condition in online module for the consumers to accept as part of the online application. Such online acceptance of terms and conditions can be treated as an Agreement under Regulation 6.1 of the MERC (Electricity Supply Code and Other Conditions of Supply), Regulations, 2005.

1.5. Accordingly, following Practice Direction is issued under Regulation 22 of the Supply Code Regulations, 2005.

2. Practice Direction:

2.1. Where ever Distribution Licensee has provided option of submitting online application for new connection, it may incorporate a module in such online platform to enable such prospective consumer to online accept terms and conditions of the Agreement.

Provided that in case such provision is not available at present, the Distribution Licensee shall make this facility available within one month from the date of issuance of this practice direction.

2.2. Such online acceptance of terms and conditions of Agreement by prospective consumer shall be treated as Agreement executed under Regulation 6.1 of the MERC (Electricity Supply Code and Other Conditions of Supply), Regulations, 2005.

2.3. This Practice Direction shall be effective from the date of its issue.

Sd/-

(Mukesh Khullar)
Member

Sd/-

(I.M. Bohari)
Member

Sd/-

(Anand B. Kulkarni)
Chairperson

