

Schedule for Retail Tariff Rates and Terms and Condition of Supply for FY, 2006-07

BIHAR

India

Schedule for Retail Tariff Rates and Terms and Condition of Supply for FY, 2006-07

Rule

SCHEDULE-FOR-RETAIL-TARIFF-RATES-AND-TERMS-AND-CONDITIONS of 2007

- Published on 1 November 2006
- Commenced on 1 November 2006
- [This is the version of this document from 1 November 2006.]
- [Note: The original publication document is not available and this content could not be verified.]

for Retail Tariff Rates and Terms and Condition of Supply for FY, 2006-07

Part-A Low Tension Supply

System of supply : Low Tension-Alternating Current, 50 cycles

Single Phase supply at 230 Volts

Three Phase supply at 400 Volts

The tariffs are applicable for supply of electricity to L.T. consumers with a connected load upto 60 KW for domestic and non-domestic category, upto 99 HP for industrial (LTIS) category and upto 100 HP for irrigation category. Single Phase supply upto 4.0 KW Three Phase supply above 4.0 KW Category of Service and Tariff Rates

1.

0. Domestic Service

- Applicability - Applicable for supply of electricity to domestic purposes such as lights, fans, radios, televisions, heaters, air-conditioners, washing machines, air-coolers, geysers, refrigerators, ovens,

mixers and other domestic appliances including motor pumps for lifting water for domestic purposes. This is also applicable to the common facilities in the multistoried, purely residential apartments, buildings.

1.1 Kutir Jyoti Scheme (KJ)-Rural/Urban - This will be applicable to (i) all huts (kutir) and dwelling houses of rural and urban poor below the poverty line including SC and ST families, (ii) houses built under schemes like Indira Awas Yojana and similar such schemes. (i) Hut (Kutir) is meant a living place with mud wall and thatched roof or house built under Indira Awas Yojana and other similar schemes which shall not exceed 200 Sq ft area. (ii) Not more than one light of 40 watt or 60 watt in rural area and upto 100 watt in urban area will be permitted in each hut/living place and maximum consumption upto 30 units per month. (iii) In case it is detected that the norms prescribed in para (i) & (ii) above are violated, the Kutir Jyoti Tariff shall immediately become inoperative and rates applicable to DS-I, II category with appropriate penal charge shall apply in such cases.

1.2 Domestic Service-I (DS-I) - Applicable to domestic premises in rural areas for a load upto 2 KW not covered by areas indicated under DS-II and not being fed from urban/town feeders.

1.3 Domestic Service-II (DS-II) - Applicable for domestic premises in urban areas covered by Notified area committee/ Municipality/ Municipal Corporation/ Development Authority/ All District and Sub-divisional towns/ Block Head Quarters/ Industrial areas/ Contiguous Sub urban areas and also area getting power from Urban/Town feeders for single phase supply for load upto 4 kW and three phase supply for load exceeding 4 kW. Rural consumers having sanctioned load above 2 KW will come under this category.

1.4 Domestic Service-III (DS-III) - Applicable for registered societies, for their residential colonies, having not less than 15 houses/flats in the colony, Residential colonies/multistoried residential complexes taking load in bulk at a single point with a minimum load of 2 KW per flat/house and maximum total load upto 60 KW.

Tariff Rates

Category of consumer	Fixed charge (Rs.)	Energy charge (Ps/Unit.)
(i) Kutir Jyoti-BPL Consumers		
1.1 Unmetered K.J. (Rural)	Rs. 35/- connection/ PM	X
1.2 Metered K.J. (Rural) K.J. (Urban)	X	120 P/unit 150 P/unit
		Subject to monthly minimum charge of KJ (Rural)-Rs. 25/- and KJ (Urban)-Rs. 35/-
(ii) DS-I Connected load: Upto 2 KW		
Unmetered Connected load: upto 1 KW	Rs. 75/- connection/ per month	
Connected load: above 1 KW upto 2 KW	Rs. 110/- connection /per month	
Metered	X	First 50 units 125
	X	51-100 units 150
		Above 100 units 170
	X	Subject to monthly minimum charge of 1st KW-40 units

per month 2nd KW-20 units per month

(iii) DS-II (Metered)

Fixed charge (Rs.)	Energy charges	
Consumption in a month (Units)	Rate P/unit	
Single phase-Rs. 30/- month/ connection	1-100 units	200
Three Phase-Rs. 180/- month/ connection	101-200 units	250
	201-300 units	300
	Above 300 units	370
	Subject to monthly minimum charge of 1st KW-40 units per month Additional KW or part thereof-20 units per month	

Fuel and Power Purchase Cost Adjustment (FPPCA) charges will be extra as applicable. (iv) DS-III (Metered)

Energy charges

Consumption in a month (Units)	Rate P/unit
All units	275 P
	Subject to monthly minimum charge 1st KW-40 units/flat per month Additional KW-20 units/flat per month

FPPCA will be charged extra as applicable. 2.0 Non Domestic Service (NDS)- Applicability - Applicable for supply of electrical energy for non domestic consumers having sanctioned load Upto 60 KW, using electrical energy for light, fan and power loads for non-domestic purposes like shops, hospitals, nursing homes, clinics, dispensaries, restaurants, hotels, clubs, guest houses, marriage houses, public halls, show rooms, central air-conditioning units, offices, commercial establishments, cinemas, X-ray plants, Non-Government schools, colleges, libraries and research institutes, boarding/lodging houses, libraries, railway stations, fuel-oil station, service stations, All India Radio/T.V. installations, printing presses, commercial trusts, societies, poultry farms, banks, theatres, circus, coaching institutes, common facilities in multistoried commercial office/buildings Government and Semi-Government Offices, Public Museums and other installations not covered under any other tariff schedule. Government educational institutions, their hostels and libraries, Govt, hospital and Govt, research institutions and non-profitable Govt, aided educational institutions their hostels and libraries. Non-profitable recognized charitable cum public institutions. Places of worship like temples, mosques, gurudwaras, churches etc. and burial/crematorium grounds. 2.1 Non-Domestic Service (NDS-I) - Applicable to loads upto 2 KW in rural areas not covered by areas indicated under NDS-I I and not being fed from urban/town feeders. Tariff Rates

Category of consumer	Fixed charge (Rs.)	Energy charges
Consumption in a month (Units)	Rate P/ unit	

Unmetered

Connected Load Upto 500 W (0.5 KW)	Rs. 105/- connection/ per month	x	x
Above 0.5 KW upto 1 KW	Rs. 120/- connection per month	x	x
Above 1 KW upto 2 KW	Rs. 150/- connection/ per month	x	x
Metered	x	1-100 units	140
	x	101-200 units	160
	x	Above 200 units	200
	x	Subject to monthly minimum charge for Load upto 500 watts-30 units Above 0.5 KW and upto 1 KW-50 units Above 1KW-70 units	

FPPCA will be charged extra as applicable. 2.2 Non-Domestic Service-NDS-II (Metered) - Applicable to loads upto 60 KW in urban areas covered by Notified Area Committee/Municipality/ Corporation/ Development Authority/ All District and Sub-divisional towns/ Block Head quarters/ industrial areas/ Contiguous sub urban areas getting power from urban/ town feeders, except those covered under NDS-III. Rural consumers having sanctioned load above 2 KW will also come under this category. Tariff Rates

Fixed charge (Rs.) Per month	Energy charges	
Consumption in a month (Units)	Rate P/unit	
Rs. 140 /KW or part thereof upto 4 KW	1-100 units	420
	101-200 units	450
Rs. 170/KW or part thereof for loads above 4 KW.	Above 200 units	480
	Subject to a monthly minimum charge of 50 units/KW or part thereof	

FPPCA will be charged extra as applicable. 2.3 Non-Domestic Service-NDS-III (Metered) - Applicable for places of worship like temples, mosques, gurudwaras, churches etc. and burial/crematorium grounds. If any portion of the premises is used for commercial purposes, a separate connection shall be taken for that portion and NDS-II tariff schedule shall be applicable for that service. Tariff Rates

Fixed charge (Rs.)	Energy charges	
Consumption in a month (Units)	Rate P/unit	
Rs. 45 /kW with minimum of Rs. 165 per connection/ month	1-100 units	210
	101-200 units	275
	Above 200 units	330

Subject to monthly minimum charge of 50 units/KW or partthereof.

FPPCA will be charged extra as applicable.3.0Irrigation & Agricultural Service (IAS)- Applicability - Applicable for supply of electrical energy for bonafide use for Agricultural purposes including Processing of Agricultural Produce, confined to Chaff-Cutter, Thrasher, Cane crusher and Rice Hauler when operated by the agriculturist in the field or farm and does not include rice mills, flour mills, oil mills, dal mills or expellers.3.1IAS-I - Applicable for all purposes indicated above including Private Tubewells.Tariff Rates Unmetered Supply-Rural feeder - Rs. 100/HP per month-Urban feeder - Rs. 120/HP per monthMetered supply All unitsRural feeder-80 P/unitUrban feeder -130 P/unitSubject to monthly minimum energy charges of-Rural feeder - Rs. 75/HP per monthUrban feeder Rs. 120/HP per month3.2IAS-II - Applicable to State Tube Wells/State lift irrigation pumps/State Irrigation pumps upto 100 HPUnmetered SupplyRural feeders - Rs. 420/HP per monthUrban feeders - Rs. 450/HP per monthMetered supply-Rural feeder -150 P/unitSubject to a monthly minimum energy charge of 225 units/HP per month4.0Low Tension industrial Service (LTIS)- Applicability - The tariff is applicable for supply of electricity to low tension industrial consumers with a connected load upto 99 HP and below including incidental lighting for industrial processing or Agro-industries purposes, Arc welding sets, Flour Mills, Oil Mills, Rice Mills, Dal Mills, Atta Chakki, Hauler. Expellers etc.4.1LTIS-I (Connected load upto 25 HP)Tariff Rates

Fixed charge (Rs.)	Energy charges	
Consumption in a month (Units)	Rate P/unit	
Rs. 65/HP or part thereof/per month	All units	415
	Subject to monthly minimum charge of 70 units/HP or partthereof.	

FPPCA will be charged extra as applicable4.2LTIS-II (Connected load 26-99 HP)

Fixed charge (Rs.)	Energy charges	
Consumption in a month (Units)	Rate P/unit	
Rs. 85/HP or part thereof/per month	All units	430
	Subject to monthly minimum charge of 100 units/HP or partthereof.	

FPPCA will be charged extra as applicable.4.3Public Water Works-LTIS-III - The tariff is applicable to Public water works, Sewerage treatment plant and Sewerage pumping stations functioning under State Government and State Government Undertakings.

Fixed charge (Rs.)	Energy charges	
Consumption in a month (Units)	Rate P/unit	
Rs. 85/HP or part thereof/per month	All units	300
	Subject to monthly minimum charge of 165 units/HP or partthereof.	

FPPCA will be charged extra as applicable.Consumers with a connected load above 79 HP and upto 99 HP have option to avail power under LTIS/HTS category.5.0Street Light Services- Applicability -

Applicable for supply of electricity for street light system, including signal system in Corporation, Municipality, Notified area, Committee, Panchayats etc. and also in areas not covered by Municipality and Notified Area Committee provided the number of lamps from a point of supply is not less than five. Also applicable for traffic lights. Category of services

5.1 SS-I-Metered street light service, Mast light & Traffic light

5.2 SS-II-Unmetered street light service, Traffic light service/Blinkers

5.3 SS-III-Unmetered Mast light service

Tariff Rates

SS-I. Metered Supply

All units - 300 P/Unit

Subject to monthly minimum charge for-

(i) Gram Panchayat-160 units/KW or part thereof.

(ii) For Nagar Palika/NAC/Municipality-220 units/KW or part thereof.

(iii) For Municipal Corporation-280 units/KW or part thereof.

SS-II. Unmetered Supply Villages/Towns

Fixed Charges

Sl. No.	Light Point Wattage	Gram Panchayat	Nagar Palika/ NAC/ Municipality	Municipal Corporation
(i)	Upto 100W	Rs. 60/PM	Rs. 65/PM	Rs. 70/PM
(ii)	101-250W	Rs. 150/PM	Rs. 165/PM	Rs. 185/PM
(iii)	251-500W	Rs. 300/PM	Rs. 320/PM	Rs. 360/PM

In case of light points above 500 W the rates shall be worked out on pro rata basis at item (iii) above. FPPCA will be charged extra as applicable

SS-III. Unmetered supply Villages and Towns

Fixed Charges

Light Point Wattage	Gram Panchayat	Nagar Palika/ NAC/ Municipality	Municipal Corporation
Above 250 W Upto 500 W	Rs. 300/PM	Rs. 330/PM	Rs. 355/PM
Subject to monthly minimum per mast	Rs. 1500	Rs. 1650	Rs. 1775

In case of light points above 500 watts, the rates shall be worked out on pro rata basis. FPPCA will be charged extra as applicable. Terms and Conditions of Low Tension Tariff

1. Rebate for prompt payment. - The due date for making payment of energy bills or other charges shall be 15 days from the date of issue of the bill. Rebate will be allowed for making payment of energy bills on or before due date specified in the bill as given below :

i. Kutir Jyoti (Unmetered)	Rs. 2/- per connection per month.
ii. DS-I and NDS-I (Unmetered)	Rs. 3/- per connection per month.
iii. Agricultural and irrigation pumpsets (Unmetered)	Rs. 5/- per HP/month
iv. Street Lights (Unmetered)	Rs. 3/- per connection/month
v. All metered categories	10 paise per unit.

In case a consumer makes full payment after due date but within 10 days after the due date, no DPS shall be leviable for this period but rebate for prompt payment will not be admissible.

2. Delayed Payment Surcharge (DPS). - In case a consumer does not pay energy bills in full within 10 days grace period after due date specified in the bill, a delayed payment surcharge of 1.5% per month or part thereof on the principal amount of bill will be levied from the original date until the payment is made in full without prejudice to right of the Licensee to disconnect the supply in accordance with Section 56 of the Electricity Act, 2003. The Licensee shall clearly indicate in the bill itself the total amount, including DPS, payable for different dates after the due date after allowing for the grace period of 10 days.

Example:

Amount payable by due date.....	Rs. 100.00	
Due date		1st November 2006
Amount payable		
On or before	On or After	After
10th November 2006	11th November 2006	1st December 2006
Rs. 100/-	Rs. 101.50	Rs. 103.00
(No prompt payment rebate)		

3. Other statutory levies like electricity duty or any other taxes, duties etc., imposed by the State Government/Central Government or any other competent authority, shall be extra and shall not be part of the tariff as determined under this order.

4. Defective/Damaged/Burnt meters supply. - In case of meter being defective/damaged/burnt the Board or the consumer as the case may be shall replace it within the specified period prescribed in "Standards of Performance for Distribution Licensee", Regulations issued by the Commission.

Till defective/damaged/burnt meter is replaced the consumption will be assessed and billed on an average consumption of last 12 months from the date of meter being out of order. Such consumption shall be treated as actual consumption for all practical purposes including calculation of electricity duty the meter is replaced/rectified.

5. Shunt Capacitor Installation. - (a) Every LT consumer (except agriculture connection having load upto 5 HP) whose connected load includes induction motor of capacity of 5 HP and above, shall arrange to install low tension shunt capacitors of appropriate capacity at his cost across terminals of his motor (s). The consumer shall ensure that the capacitors installed by him are properly matched with the actual rating of the motor so as to ensure power factor of 90%.

(b) All LT consumers having welding transformers will be required to install suitable shunt capacitor (s) of adequate capacity so as to ensure power factor of not less than 90%. (c) The capacitors shall be of standard manufacture and meet the Bureau of Indian Standards specification. (d) Consumers not complying to above shall be liable to pay a surcharge of 5% (five percent) of the billed amount excluding DPS till the capacitors are installed. (e) Any LT consumer (except agricultural connection having load upto 5 HP) who fails to maintain power factor of 90% in any month shall pay a surcharge of 5% (five percent) of the billed amount excluding DPS till the defective capacitors are replaced and power factor of 90% is maintained. (f) No new supply to LT installations having induction motor of 5 HP and above or welding transformers will be released unless shunt capacitors are installed to the satisfaction of the Board. (g) The appropriate ratings of shunt capacitor to be installed on the motors of different ratings are provided in the "Electric Supply Code" issued by the Commission. Part-B High Tension Supply

System of supply : High Tension-Alternating Current, 50 cycles, Three Phase at 11KV/6.6 KV and above.

1.1 HTS-I (11 KV/6.6 KV).- Applicable for supply for use in installations with a minimum contract demand of 75 KVA and maximum contract demand of 1500 KVA. Character of service : AC, 50 cycles, 3 phase at 11 KV or 6.6 KV. Tariff rates

Demand charge Rs./KVA/Month of billing demand	Energy charges Paisa/KWh
180	All units-425

(i) The billing demand shall be the maximum demand recorded during the month or 85% of the contract demand whichever is higher. (ii) Minimum base energy charge will be billed on the basis of energy consumption at a load factor of 30% and power factor of 90% on contract demand payable at 425 P/unit, monthly. (iii) Surcharge of 7.5% will be levied on the demand and energy charges for supply at 6.6 KV. (iv) If any month the recorded maximum demand exceeds 110% of contract demand, that portion of the demand in excess of the contract demand will be billed at twice the normal charges. 1.2 HTS-II (33 KV).- Applicable for use in installations with a minimum contract demand of 1000 KVA and maximum contract demand of 10,000 KVA. Character of service : AC, 50 cycles, 3 phase at 33 KV. Tariff rates

Demand charge Rs./KVA/Month of billing demand	Energy charges Paisa/KWh
175	All units-420 P.

(i) The billing demand shall be the maximum demand recorded during the month or 85% of the contract demand whichever is higher. (ii) Minimum base energy charge will be billed on the basis of energy consumption at a load factor of 35% and PF of 90% on contract demand payable at 420

P/unit monthly.(iii)If in any month the recorded maximum demand exceeds 110% of contract demand, that portion of the demand in excess of the contract demand will be billed at twice the normal charges.1.3HTS-III (132 KV).- Applicable for installations with a minimum contract demand of 7.5 MVA.Character of service : AC, 50 cycles, 3 phase at 132 KV

Tariff rates
Demand chargeRs./KVA/Month of billing demand Energy chargesPaissa/KWh

170

All units-415

(i)The billing demand shall be the maximum demand recorded during the month or 85% of the contract demand whichever is higher.(ii)Minimum base energy charge will be billed on the basis of energy consumption at a load factor of 50% and PF of 90% on contract demand payable at 415 P/unit, monthly.(iii)If in any month the recorded maximum demand of the consumer exceeds 110% of the contract demand, that portion of the demand in excess of the contract demand will be billed at twice the normal charges.1.4HTSS (11 KV/33 KV).- The tariff is applicable for supply of electricity to all consumers who have contract demand of 300 KVA and more for induction furnace loads. This tariff will not apply to castings units having induction furnace of melting capacity of 500 Kg and below.Character of service : AC, 50 cycles, 3 phase at 33 KV/11 KV

Tariff rates
Demand chargeRs./KVA/Month of billing demand Energy chargesPaissa/KWh

750

All units-135 P

(i)Minimum monthly charges at Rs. 1101 per KVA of contract demand, per month shall be payable on monthly basis. Minimum hours of supply will be 630 hours per month. If for any particular month the hours of supply are less than the minimum assured hours of supply as shown above then the minimum monthly charges for the month will be-

Rs. | (| 750 + | 351 x Actual hours of supply630 x Actual hours of supply |)

(ii)The billing demand shall be the maximum demand recorded during the month or the contract demand whichever is higher.(iii)If in any month the recorded maximum demand of the consumer exceeds 110% of contract demand that portion of the demand in excess of the contract demand will be charged at twice the normal charges.1.5Railway Traction Service.- Applicable to Railway Traction loads only

Tariff rates
Demand chargeRs. /KVA/ Month of billing demand Energy chargesPaissa/unit

RTS-I

25 KV supply Rs. 160

All units-444 P

RTS-II

132 KV supply Rs. 160

All units-438 P

(i)The billing demand shall be the maximum demand recorded during the month or 85% of the contract demand whichever is higher.(ii)The minimum base energy charge will be billed on the basis of energy consumption at a load factor of 25% and PF of 90% on contract demand payable at 444/438 P/unit.FPPCA will be extra as applicable for all HT categories including Railway traction service.Terms and Conditions of HT Tariff

1. Rebate for Prompt Payment. - The due date for making payment of energy bills or other charges shall be 15 days from the date of issue of the bill.

The tariff rates are subject to prompt payment rebate of 1 (one) paise per unit provided the bill is paid by due date specified therein. If the consumer makes full payment after due date but within 10 days after due date, no DPS shall be leviable for this period but rebate for prompt payment will not be admissible.

2. Delayed Payment Surcharge (DPS). - In case of consumer does not pay energy bills in full within 10 days grace period after due date specified in the bill, a delayed payment surcharge of 1.5% per month or part thereof on the principal amount of bill will be levied from the original date until the payment is made in full without prejudice to right of the licensee to disconnect the supply in accordance with Section 56 of the Electricity Act, 2003. The Licensee shall clearly indicate in the bill itself the total amount, including DPS, payable for different dates after the due date after allowing for the grace period of 10 days.

Example:

Amount payable by due date.....	Rs. 100.00	
Due date		1st November 2006
Amount payable		
On or before	After	After
10th November 2006	11th November 2006	1st December 2006
Rs. 100/-	Rs. 101.50	Rs. 103.00
(No prompt payment rebate)		

3. Other statutory levies like electricity duty or any other taxes, duties etc., imposed by the State Government/Central Government or any other competitive authority, shall be extra and shall not form part of the tariff as determined under this order.

4. Power Factor Surcharge. - The average power factor (monthly) of the supply shall be maintained by the consumer not less than 0.90.

If the average power factor falls below 90% (0.9) he shall pay a Surcharge in addition to his normal tariff at the following rates:

- | | |
|---|---|
| (i) For each fall of 0.01 in power factor upto 0.80 | Once percent on demand and energy charge |
| (ii) For each fall of 0.01 in power factor upto | 1.5 (one and half) percent on demand and energy |

0.80 charge

If the average power factor falls below 0.70 consecutively for 3 months, the Board reserves the right to disconnect the consumer installation without prejudice for the levy of the surcharge.

5. Power Factor Rebate. - In case the average power factor (monthly) of the consumer is more than 90% (0.90) a power factor rebate at the following rates shall be allowed.

For each increase of 0.01 in power factor above 0.90 upto 0.95	0.5 (half) percent on demand and energy charge
--	--

For each increase of 0.01 in power factor above 0.95	1.0 (one) percent on demand and energy charge
--	---

6. Transformer Capacity. - The transformer capacity of HT consumer shall not be more than 150% of the contract demand, consumer found to be utilizing transformer of higher capacity than admissible for his contracted load, will fall under malpractice.

If standard capacity is not available for exact requirement then relaxation in transformer capacity upto 10% extra can be allowed in individual cases on request.

7. Defective/Damaged/Burnt meter supply. - In case of meter being defective/damaged/burnt the Board or the consumer as the case may be shall replace the same within the period specified in "Standards of Performance for Distribution Licensee" Regulations issued by the Commission. Till defective meter is replaced the consumption will be assessed and billed on an average consumption of last 12 months from the date of meter being out of order. Such consumption shall be treated as actual consumption for all practical purposes including calculation of electricity duty until the meter is replaced/rectified.

Temporary Supply/Temporary Supply (LT & HT)1.0Applicability - This tariff is for connection of temporary nature. The applicability shall be as given in the respective category tariff rate schedule. Temporary supply cannot be claimed by a prospective consumer as a matter of right but will normally be arranged by the Board when a requisition is made giving due notice subject to technical feasibility and in accordance with electricity supply code issued by the Commission.1.1Tariff - Fixed charge and energy charge shall be chargeable at one and half times the normal tariff as applicable to the corresponding appropriate tariff category.*1.3 Terms of Supply - (a) Temporary supply under any category of service may be given for a period not exceeding 30 days in the first instance. The duration of which, however may be extended on month-to-month basis subject to maximum of six months.(b)In addition to the charge mentioned above, the consumer

shall have to deposit the following charges before commencement of the temporary supply: (i) Estimated cost of erection of temporary service line & dismantling. (ii) Cost of irretrievable materials which cannot be taken back to service. (iii) Meter rent for the full period of temporary connection as per appropriate Tariff Schedule & Miscellaneous charges. (iv) Rental on the cost of materials as per estimate framed but not payable by the consumer shall be payable at the rate of Rs. 15/- per month on every Rs. 100/- or part thereof. (v) Ten per cent on the total cost of the estimate for the temporary service connection to cover as security for loss of materials and contingencies. In case such loss is noticed, the amount will be refunded. (c) The applicants for temporary supply shall be required to make a deposit in advance of the cost as detailed above including the energy consumption charges estimated for full period on the basis of connected load. This will however, be adjusted against the final bill that will be rendered on disconnection of supply month to month basis. (d) If the consumer intends to extend the temporary supply beyond the period originally applied for, he will have to deposit in advance all charges as detailed above including the estimated electricity consumption charges, for the period to be extended and final bill for the previous period, as well. (e) The temporary supply shall continue as such and be governed by the terms & conditions specified above until the supply is terminated or converted into permanent supply at the written request of the consumer. The supply will be governed by the terms & conditions of permanent supply only after the consumer has duly completed all the formalities like execution of agreement, deposit of security money, cost of service connection and full settlement of the account in respect of the temporary supply etc.* Should be 1.2, appears to be a printing error. Seasonal Supply

1. Seasonal supply shall be given to any consumer on written request to the Board subject to the following conditions.

Period of Supply	Tariff Rate
1. Upto 3 consecutive months in a year	Appropriate tariff plus 40 per cent
2. More than 3 consecutive months and upto 6 consecutive months in a year	Appropriate tariff plus 30 per cent
3. More than 6 consecutive months and upto 9 consecutive months in a year	Appropriate tariff plus 20 per cent
4. More than 9 consecutive months but less than one year	Appropriate tariff plus 10 per cent.

2. The meter rent and other charges as provided in the appropriate tariff are applicable to seasonal loads and be charged extra for the entire period of supply.

3. The supply would be disconnected after the end of the period unless the consumer wants the supply to be continued.

Any reconnection charges have to be borne by the consumer.

4. Consumer proposing to avail seasonal supply shall sign an agreement with the Board to avail power supply for a minimum period of 3 years in the case of HT, and 2 years in the case of LT category of supply.

5. The consumers must avail supply in terms of whole calendar month continuously.

6. The consumer is required to apply for seasonal supply and pay initial cost and security deposit to apply for seasonal supply and pay initial cost and security deposit as an applicant for normal electricity supply.

7. The consumer shall ensure payment of monthly energy bills within 7 days of its receipt. The supply will be disconnected if payment is not made on due date.

Formula for Fuel and Power Purchase Cost Adjustment In the tariff petition for 2006-07, BSEB has stated that fuel adjustment has been provided in the existing tariff as the tariff was not being revised annually. Since the tariff would be fixed annually in future, there may not be need for any fuel adjustment formula in a normal condition as tariff rates would be fixed after giving due consideration in the relevant year's projected revenue income & revenue requirement. However, irrespective of the period of tariff revision it is considered necessary to have a formula approved by the Commission for fuel and power purchase cost adjustment as given below. Formula The approved fuel & power purchase cost adjustment (FPPCA) formula is given below:

$$FPPCA = | Q_c(RC_2 - RC_1) + Q_o(RO_2 - RO_1) + QP_p(Rpp_2 - Rpp_1) + V_z + A(QP_g + QP_p) \times (1 - L) - PSE | \times 100 \text{ (Per/kWh)}$$

Where, Q_c = Quantity of coal consumed during the adjustment period (in M.T) = $(SHR \times QP_g) (1 + TSL) \times 1000 / GCV$
 RC_1 = Weighted average rate of coal supplied ex-power station coal yard as per actual for the adjustment period (in Rs./M.T)
 RC_2 = Weighted average rate of the coal supplied ex-power station coal yard as per actual for the adjustment period (in Rs./M.T)
 Q_o = Quantity of oil (in KL) consumed during the adjustment period = Generation (in MU) X Specific oil consumption approved by the Commission (ml./KWh)
 RO_1 = Weighted average rate of oil ex-power station approved by the Commission for the adjustment period (in Rs./KL)
 RO_2 = Weighted average actual rate of oil ex-power station supplied during the adjustment period (in Rs./KL)
 QP_g = Board's own power generation at generator terminal-approved auxiliary consumption (in MUs)
 QP_p = Power purchased from different sources and fed into Board's system (in MUs)
 Rpp_1 = Average rate of power purchase as approved by the Commission (in Rs./KWh)
 Rpp_2 = Average rate of power purchase during the adjustment period (in Rs./KWh)
 V_z = Amount of variable charges on account of change of cost of unknown factors like water charges, taxes or any other unpredictable and unknown factor not envisaged at the time of tariff fixation (subject to prior approval of the Commission).
 A = Adjustment, if any, to be made in the current period to account for any excess/shortfall in recovery of fuel or power purchase cost in the past adjustment period, subject to the approval of the

Commission.L = T&D loss as approved by the Commission or actual, whichever is lower.PSE = Power sold to exempted categories (presently agriculture and BPL consumers)SHR = Station Heat Rate as approved by the Commission.TSL = Transit and Stacking Loss as approved by the Commission.GCV = Weighted average gross calorific value of coal fired at boiler front during the adjustment period (in Kcal/Kg)The approved (FPPCA) formula is subject to following conditions:(i)The basic nature of FPPCA is 'adjustment' i.e. passing on the increase or decrease, as the case may be.(ii)The operational parameters/norms fixed by the Commission in this tariff order shall be the basis of calculating FPPCA charges.(iii)Incremental cost of power purchase due to deviation in respect of generation mix, power purchase at higher rate, etc. shall be allowed only if it is justified to the satisfaction of the Commission.(iv)Any cost increase by the Board by way of penalty, interest due to delayed payments, etc. and due to operational inefficiencies shall not be allowed.(v)FPPCA charges shall be levied on all categories of consumers, except agriculture and BPL consumers.(vi)The data in support of FPPCA claims shall be duly authenticated by an officer of the Board, not below the rank of Chief Engineer on affidavit.(vii)Variation of FPPCA charge will be allowed only when it is five (5) paise and more per unit.(viii)The FPPCA charges shall be reviewed by the Board for the first time after six months from the date of implementation of this order and every six months thereafter.(ix)The approved formula is subject to review, as the Commission may deem fit.Since the operational parameters for generating stations of BSEB are not approved by the Commission in the tariff order, the Board shall submit the operational parameters of the power plants after R&M of the plant and get the parameters approved by the Commission before implementation of the fuel cost adjustment provision.

for Miscellaneous and General Charges

The Miscellaneous and General charges are approved by the Commission as below:

1. Meter Rent

Particulars	Applicable Charges
Kutir Jyoti	Rs. 10/month
(a) Single Phase LT except Kutir Jyoti	Rs. 20/month
(b) Three Phase LT upto 100 Amps	Rs. 50/month
(c) LT meter with CT	Rs. 500/month
(d) 6.6 KV & 11 KV supply unit	
Metering at medium voltage	Rs. 5,00/month
Meters for HT 6.6/11 KV-HTS-I	Rs. 7,00/month
(e) 33 KV HT metering equipment for HTS-II and HTSS	Rs. 3,000/month
(f) 132 KV EHT metering equipment for HTS-III	Rs. 15,000/month

2. Application fee for new connection/reduction of load/enhancement of load request for permanent disconnection :

No. Category/class Rate

(i) Kutir Jyoti	Rs. 15.00
(ii) LT Single phase	Rs. 30.00
(iii) LT Three phase	Rs. 60.00
(iv) LT Industrial	Rs. 100.00
(v) HT Connection	Rs. 200.00

3. Testing/Inspection of consumer's installation:

No. Category/class	Rate
(i) Initial Test/Inspection	Free of cost
(ii) Subsequent test and inspection necessitated by fault in connection installation or by not complying with terms & conditions of supply	Rs. 50.00 for single phase Rs. 100.00 for three phase LT connection Rs. 300.00 for HT connection.

4. Meter Testing Fee:

No. Category/class	Rate
(i) Single Phase meter	Rs. 50.00
(ii) Three Phase meter	Rs. 100.00
(iii) Three Phase meter with CT	Rs. 150.00
(iv) Trivector & special type meter	Rs. 600.00
(v) 33 KV or 11 KV metering equipment	Rs. 2,000.00
(vi) 132 KV/220 KV metering equipment	Rs. 3,000.00

5. Removing/Re-fixing/Changing of Meter/Meter Board at consumer's request:

No. Category/class	Rate	Cost of material, as required, will be borne by the consumer
(i) Single Phase meter	Rs. 50.00	
(ii) Three Phase meter	Rs. 100.00	
(iii) Three Phase meter with CT	Rs. 150.00	
(iv) Trivector & special type meter	Rs. 200.00	
(v) High tension metering equipment	Rs. 400.00	

6. Reconnection charge:

No. Category/class	Rate
(i) Single Phase supply	Rs. 50.00
(ii) Three Phase supply	Rs. 100.00
(iii) Three Phase meter LT industrial supply	Rs. 300.00

(iv) HT supply Rs. 1000.00

7. Supervision, Labour and Establishment charge for service connection:

No. Category/class	Rate
(i) Single Phase LT	Rs. 180.00
(ii) Three Phase LT	Rs. 360.00
(iii) Three Phase Industrial	Rs. 500.00
(iv) HT	As per approved estimate

8. Initial Security deposit for availing power supply. - The consumer shall pay initial security deposit equivalent to the estimated energy charges including fixed/demand charges for a period of three months.

(a) All Central Government and State Government departments are exempted from payment of security deposit. However all public sector undertakings & local bodies shall pay security deposit, as applicable. (b) The amount of security deposit is liable to be enhanced every year, in April-May of next year on the basis of average bills for previous years. In default of payment of additional security deposit, wherever payable after review, the service line may be disconnected on serving thirty days notice and connection thereafter can be restored only if the deposit is made in full along with the prescribed reconnection charges and surcharge @ 1.5% per month or part thereof on the amount of outstanding (c) Interest on Security Deposit - Security deposit made by a consumer shall bear interest at a rate at par with the interest payable on Saving Bank Account of Nationalized Bank. The interest will be calculated for full calendar months only and fraction of a month in which the deposit is received or refunded, shall be ignored. The interest for the period ending 31st March shall be adjusted and allowed to the consumer as rebate in the energy bill for May issued in June and in subsequent month (s), if not adjusted completely against the bill for the month of May. Directives to BSEB 1.0 It is observed from the ARR and Tariff Petition for the FY 2006-07 filed by the BSEB that its operational and financial performance requires considerable improvement at all levels in reducing T&D losses and costs and also increasing efficiency on part of the Licensee in order to improve quality of supply and service to the consumers in the State of Bihar. Significant initiatives are yet to be taken by the BSEB even at operational leave-alone structural reforms envisaged under the Electricity Act, 2003. The Board also lacks an effective management information system and credible data base in its operation. It is in this context that the Commission issues these directives to the BSEB within the parameters of Section 61 of the Electricity Act, 2003 which stipulates that the Commission shall be guided by the factors which would encourage competition, efficiency, economical use of the resources, good performance and optimum investments in specifying the terms and conditions of determination of tariff. 1.1 Directive-1 Cent Percent Metering If mandate enshrined under Section 55 of the Electricity Act 2003 is to be honoured 'No Licensee shall supply electricity after the expiry of 2 years from the appointed date, except through installation of a correct meter, in accordance with the regulations to be made in this behalf by CEA'. The Central Electricity Authority have already notified the regulation on installation and operation of meters on 17th March 2006. Though the period of two years is already over, the Board has not approached the Commission for extension of the period, notwithstanding the fact that large number of consumers in

the power sector is still unmetered. Henceforth no electricity connection will be released to any category of consumer without a meter by the Board. The Board has about 8.8 lakh unmetered consumers under BPL, Rural Domestic and Non-Domestic and Agricultural categories. The concept of unmetered consumers in Bihar is quite alien to the mandate of the Electricity Act, 2003 after the cut off period has lapsed. Hence installation of meters for supply of electricity to consumers is essential for proper accounting of energy consumed by them and realizing energy dues and thereby reducing the distribution losses. Hence BSEB shall take immediate action to provide meters to all such unmetered consumers and shall submit road map for providing meters to all these consumers and priority shall be given in providing meters to domestic and commercial consumers. Metering plan hence should be submitted to the Commission by 31st March 2007 so as to enable the Commission to review the progress and issue further directions in the matter as may be considered necessary. The funding available under APDRP and other sources to provide meters shall be availed on priority. While providing meters, action may also be taken to install static meters for accurate measurement of energy consumed.

1.2 Directive-2 Replacement of Non-functional/Defective Meters Commission has observed from the Tariff filing that information is not made available on number of non-functional/defective meters in position, though there must be quite a number of service connections with non-performing/defective meters in distribution system of the BSEB. As non-recording of the energy consumption made by such consumers contribute to non-technical (commercial) losses of the system, immediate action has to be taken to replace all such meters. BSEB is directed to report the number of non-performing/defective meters category-wise in the system as on 30.11.2006 along with an action plan to replace them and the report must be submitted by 31st January, 2007 to the Commission.

1.3 Directive-3 Setting up of independent Third Party Meter Testing Arrangement One must also be aware that in the matter of meter reading and billing of consumers by the utility, there exists considerable consumer dissatisfaction. As such there is imperative need to raise the level of consumer satisfaction. At the same time one cannot help feeling the need for periodical and random checking of electricity meters installed at the premises of various categories of consumers. In a suo motu proceeding initiated by the Commission when the Board was called upon to appraise Commission as to whether calibration of the meters are checked at specified regular intervals, the response of the Board on affidavit leaves much to be desired, as it rather acknowledges that the calibration of meters are not checked at specified regular intervals, be it due to shortage of manpower and infrastructure. It is high time that BSEB should put in place an accredited independent third party meter testing arrangement in all districts under its licensed area and also prepare norms for allowing consumers to purchase their own meters duly tested and certified by such third party testing agency so that scope for consumer complaints is minimized and complaints that arise are settled expeditiously to the satisfaction of the consumers without the need for any recourse to consumer forum. However, for such meters owned by the consumers, no meter rent shall be levied by the Licensee. To bring about improvement in the matter of satisfaction of the consumers it must be ensured: (i) that the meters are provided in accordance to the Central Electricity Authority (Installations and Operations & Meters) Regulations 2006. (ii) testing of meters is done at specified regular intervals. (iii) in case of complaints of over-billing there should be provision of 3rd party inspection and verification with the benefit of doubt being given to the consumers. (iv) consumer groups must be actively involved in the entire process and their suggestion regarding systematic improvement and modification of policies and procedure must be given due consideration. Taking these factors into account it is essential to lay down specific norms for

maintaining adequate facilities backed by trained manpower linkage to the area of coverage and number of consumers for the utility company. The 3rd Party arrangement for random checking of meters should comprise of three engineers of consumer association. These initiatives would be relevant in finalizing a consumer friendly transparent policy in the power sector and would help minimize the grievance of the consumer in the sector. Now it need not be emphasized that proper system of metering for all 132 KV, 33KV and 11KV feeders as well as all power transformer and distribution transformers also is essential.

1.4 Directive-4 Efficient Meter Reading, Billing and Collection

Timely meter reading, billing and collection for energy consumed by the consumers can significantly improve the cash flow of the Board. The present system should be reviewed with a view to streamline the process and minimize the time between actual delivery of power and receipt of revenue. Supervisory officers must counter check the meter readings taken by the meter readers. Further, the area of meter readers should be changed every year. The Board should introduce billing Meter Reading Instrument (MRI) for all HT consumers and large non-domestic consumers. Spot billing preferably by palm top computers may be introduced in the urban areas. The meter of HT and LT consumers shall be read on monthly basis. Introduction of spot billing will also avoid serving bill separately and help in early realization of revenue. The Board shall make arrangement to introduce MRI for all HT consumers and big nondomestic consumers as well as spot billing for all LT consumers immediately. As per information made available by the Board, the present level of collection efficiency is around 85%. With a view to improve the collection efficiency, BSEB is advised to explore the system of collection of electricity bills through banks, drop boxes, credit cards, and opening additional collection counters, wherever necessary. Collection counters may also be opened on the holidays. This will facilitate the consumer to pay the bill and minimize waiting in long queues for payment of electricity bills. The collection efficiency shall be improved from the present level of 85% to cent per cent as early as possible. The Board shall therefore review the present system of meter reading, billing and collection of revenues and initiate action to implement measures suggested above to improve meter reading system, billing and collection of revenues. A report with action taken by the Board shall be reported to the Commission by 31st March, 2007.

1.5 Directive-5 Meter Reading of HT Services

The monthly meter reading of HT services shall be entrusted to a committee of high level officers of the Board. All the HT services below 500KVA contracted maximum demand, meter reading may be done by the concerned Assistant Engineer and those above 500KVA by the concerned Executive Engineer. Further certain percentage of meter readings in each category of consumers shall be done by senior officers of the Board up to the level of Chief Engineer to control pilferage of electricity. BSEB shall issue suitable instructions in this regard immediately and the Board shall also review the percentage of checked readings and take action in case of variation between normal meter reading read by meter reader and the check meter reading taken by the officers of the Board.

1.6 Directive-6 Replacement of old Electromagnetic Meters with Static Meters

There might be old electromagnetic meters fixed years back at the premises of a number of consumers. As these meters might not be recording energy consumed accurately, it is necessary to replace all such meters with static meters, particularly in LT Commercial, Industrial and HT installations. All HT installations & high value LT installations shall be provided with high accuracy static meters to record maximum demand and energy accurately. Other LT services where old electromagnetic meters are in service shall also be replaced with static meters in a phased programme. A report on the status of metering, type of meters provided in HT and other high value LT installations along with a programme for replacement of such meters with static meters shall be

submitted to the Commission by 31st January 2007. Metering of all unmetered services, replacement of all non-performing & defective meters and replacement of old electromagnetic meters with static meters shall be given priority. All available sources of funding shall be tapped for metering. The pay back period of providing such meters is generally short. Experience has shown that providing static meters has increased the metered consumption by 10 to 15%. Since Electricity Act, 2003 provides for consumer providing a meter, if there are constraints for the Board, consumers may be requested to provide meters themselves at their own cost.

1.7 Directive-7 Reduction of Transmission and Distribution (T&D) Losses

The Bihar State Electricity Board in the Tariff Petition worked out T&D losses to be 37% during FY 2005-06 and proposed to reduce it to 36% during FY 2006-07. The analysis of projected energy sales and energy available however shows that the losses are much higher and information available from other sources also establish that the losses are yet much higher in the BSEB system. As per Ministry of Power, Government of India the AT&C losses in Bihar for the FY 2004-05 stand at 74.09%. A lot of consumers/consumer organization during public hearing of the tariff proposal submitted by the Board, expressed their grave concern over such high losses in the system of the Board as such level of losses are unsustainable and imply to decline of power sector operations. The continuation of present level of losses not only poses a threat to the power sector operation but also jeopardize the growth prospect of the economy as a whole in the State. Further the power sector will remain un-viable until T&D losses are brought down to reasonable level. The National Electricity Policy emphasizes the State to prepare a Five-Year Plan with annual milestones to bring down this loss expeditiously. In a suo motu proceeding initiated by the Commission, the Board in its affidavit acknowledges before the Commission that the statistics of T&D losses and AT&C losses are estimated figure as metering at appropriate levels are not being done at present. It further acknowledges that since there is no metering, at all level, losses cannot be segregated and hence one is constrained to feel that the reliability of these data remains open to question, true picture being not before the Commission about extent of losses suffered by the Board in transmission and distribution system. Since transmission and distribution losses are exceedingly high, it requires efficient and coordinated action to develop an integrated power system in the State. High Voltage distribution system is an efficient method for reduction of technical loss and prevention of theft. Since distribution is the most critical segment of the electricity, this requires efficient management of the distribution sector to secure efficient and equitable supply of electricity to all. Measures need to be taken to ensure proper metering and meter reading and curbing pilferage of energy with strict vigil which will help reducing losses. A long term action plan for reduction of T&D losses for both technical and non-technical with relevant load flow studies be chalked out and submitted to the Commission by March, 2007. The Board projected the T&D losses at 36% for FY 2006-07, but after detailed analysis of the assessment of agricultural consumption by the Commission, the losses for FY 2006-07 are set at 41.40%. The Board should ensure reduction of the T&D losses to 38% during FY 2007-08 and 34% during FY 2008-09. Steps be taken to provide dedicated feeders to major HT services from the sub-station and provide meter at this sub-station also which will help in monitoring the energy consumption and KVA demand of such HT services.

1.8 Directive-8 Energy Audit and Demand Side Management

Energy audit is an important and essential tool to identify the high loss (technical and commercial) areas in the system. For carrying out the energy audit, meters are required to be provided at all the feeders from 220KV to 11 KV level and also distribution transformer at LT side. Though it is stated by the Board that meters are provided on number of feeders, many of them are defective or non-functional. BSEB is directed

to replace all such meters and provide correct meters on all feeders from 220KV to 11KV level as well as LT side of the distribution transformer on highest priority. It is known that the metering at distribution transformer level will provide the technical and commercial losses on the LT system by proper correlation of energy input from the distribution transformer to the LT system and the consumption by various consumers connected to the distribution transformer. The energy audit should be taken up first in all the towns with a population of fifty thousand and above. The first status report on the action taken for energy audit in all the towns should be reported to the Commission by 31st March, 2007 to issue further directives in this regard, if

required. **1.9 Directive-9 Pilferage of Electricity** Since the pilferage of electricity by various category of consumers by illegal tapings from electric lines, tampering of meter etc., also causes enormous loss of revenue to the BSEB, the Commission feels that there is urgent need to launch an extensive drive to remove illegal connections, check meter tampering and also to keep constant vigil on them. The Commission with a view to take stock of the situation sought following information in a suo motu proceeding that was conducted by the Commission :-(i) Whether random periodical raids are being conducted in rural and urban areas and also what had been the result. (ii) Whether there is any plan chalked out by the B.S.E.B. to curb pilferage of power in the rural and urban areas. Though the Board in its affidavit states that regular raid operation is conducted for detection of power theft and also that there has been random load verification in the consumer premises, here too the query made by the Commission about its impact on the revenue of the Board remained unanswered. It need not be emphasized that no reform can succeed in the midst of large pilferage on continuing basis. Success in revamping power distribution will be a key factor in determining the pace of growth in the power sector and specifically the pace of addition of new generation capacity. It is a matter of common knowledge that the energy loss including pilferage of power is to the extent of about 1/3rd of total power either generated and/or procured from other sources. The need of the hour is to activate the organization to curb the pilferage of power within the premises of provisions of Indian Electricity Act 2003 and also the Indian Penal Code. A task force is to be constituted in different zones to which the entire Licensee area is to be divided to carry out massive raid to arrest pilferage. In case of detection of such theft/pilferage, the concerned authority of the area and personnel attached to them, who have duties to supervise the work, have to be made answerable for punitive action. Those found committing mischief of pilferage should be booked and penal action should visit them. The Supreme Court, the Apex court of the land too in a recent case has sent a shock treatment for those involved in pilferage of power. The extract of the observations of the Apex court can be profitably reproduced below. "The most effective step to curb this tendency perhaps could be to discontinue supply of electricity, temporarily or permanently to those consumers who have been caught abstracting electricity in a clandestine manner on more than one occasion".

Though this may need amendment of the Electricity Act, as indicated above other options are yet available to the Licensee to curb the menace of pilferage.

1.10 Directive-10 Enumeration of Agriculture Pumpsets & Other Service Connections It is understood that there are a number of unauthorised agricultural pumpsets and other service connections connected to the system particularly in the rural areas. The Board shall get all agricultural pumpsets and other service connections enumerated to identify the unauthorised connections and get them regularised by providing meters. A report on the action taken to get agricultural and other connections enumerated to identify the unauthorized connection and to regularize them shall be placed before the Commission by 30th June, 2007.

1.11 Directive-11 Assessment of Agricultural Consumption Though

energy consumed by agriculture sector constitutes a significant part of total energy consumed in the State, all the irrigation pumpsets in the State are unmetered and billed at flat rate basis. The BSEB for realistic assessment of energy consumption by agriculture sector, shall take steps to correctly assess consumption/load factor of agriculture consumers based on connected load, area, region, cropping pattern, number of crops, water sources, etc. by arranging proper metering for all irrigation pumpsets in the State wherever it is not done. Since it may take time, meanwhile meters shall be installed on LT side of Distribution Transformer exclusively connected to agriculture consumers/pumpsets. This would give fairly reasonable assessment about consumption of electricity by pumpsets. The BSEB shall come out with an action plan for this job by 31st March, 2007 to be placed before the Commission and pursuant thereto the action taken on the plan shall also be made available to the Commission by 31st July, 2007.

1.12 Directive-12 Regulation of Power Supply to Rural Areas A number of consumer organizations expressed their deep concern about poor quality of supply to rural areas particularly to agricultural pumpsets. The villages are stated to have supply only for 2 to 3 hours a day. It is understood that a number of States which have power shortage regulate power supply and make power supply available during specified hours in a day to each area. Similarly, the State can regulate the hours of supply to rural areas particularly to agricultural pumpsets. It is understood that all 11 KV feeders at 33/11 KV sub stations are kept in service. Whenever supply is made available to 33/11 KV sub stations, all the feeders will have supply, it might be for 2 or 3 hours. Instead the supply could be regulated, each 11 KV feeder or a group of feeders can have the supply for a specified hours in a day by rotation. The hours during which power supply would be available shall be notified to the consumers under each feeder. The Board may study the practices being followed in other States and draw out a scheme to regulate power supply to rural areas, particularly, to agricultural pumpsets, and submit such a scheme to the Commission for consideration and approval by 31st March, 2007.

1.13 Directive-13 Quality of Power Supply and Service to Consumer It is understood that a number of LT lines in the rural areas have no conductors and the villagers/consumers are without supply. The Board may draw out a scheme to* restore all such lines and to strengthen the distribution system wherever required, as it is necessary to provide power supply to all consumers at a reasonable voltage and with minimum interruptions. The funds available from RGGBVY and other Rural electrification schemes shall be availed to improve the system. The Board shall submit its scheme to strengthen the transmission & distribution systems to the Commission by 31st March, 2007. The Board shall also establish service centres in all the towns to attend to consumer complaints on interruptions to power supply, billing etc in order to improve service to consumers in all major towns to start with. The measures taken by the Board in this regard shall be reported to the Commission by 31st March, 2007.

1.14 Directive-14 Management Information System It is observed from the Tariff Petition that the data provided therein is either not available nor consistent. When certain information was sought by the Commission, the BSEB informed the Commission to obtain the same from the field offices of the BSEB which clearly indicates that all required information/data on operational and financial matters are not available with the BSEB. The details of units actually consumed, units billed, amount billed under different heads are not compiled sub category-wise as per tariff which is essential for analysing the revenue income of the Board. The Board is directed to take urgent steps to build a credible and accurate database and management information system with unbundled costs and expenditure of the three businesses of the Board viz. Generation, Transmission and Distribution to make information available on operational and financial issues and get such data updated on monthly basis. Advantage

of IT must be taken to institute the MIS. Action must be taken urgently on this and the action taken shall be reported to the Commission by 31st March, 2007. Care must be taken to see that the next tariff petition is supported by an accurate and credible database.1.15 Directive-15 Annual Accounts of the BSEBAs per information made available by the Board, annual accounts for the financial year 2001 -02 only have been audited while annual accounts for the FYs 2002-03.2003-04 and 2004-05 are at various stages of compilation and approval and will be audited by March, 2007. A number of consumer organizations during the public hearing have raised issue of filling of Tariff Petition without the latest audited accounts. The Board is directed to accord highest priority and ensure that the accounts of these years are duly audited by Accountant General, Bihar, by March, 2007. BSEB should file the ARR and Tariff petition for the next year supported with audited accounts.1.16 Directive-16 Arrears As per information furnished by the BSEB, as on 31.03.2005, the outstanding dues from the consumers stood at a staggering figure of Rs.5101.15 crores which is inclusive of Delayed Payment Surcharge (DPS). Out of outstanding of Rs. 5101.15 crores, the arrears outstanding on the government departments is Rs. 2367.50 crores. Although the Commission had asked for consumer-wise details, the details in this regard have not been furnished. The Board should prepare area-wise list of consumers having huge arrears and furnish to the Commission in the format given below. The Board shall take up with the State Government at the level of Chief Secretary for getting the out-standings of government departments and its undertakings, local bodies and private bodies cleared. The Board is directed to issue final notices to all the defaulters including government departments with arrears of more than three months to pay or face disconnection of electricity supply and supply must be disconnected after the expiry of the notice period. The outstanding from the State Government Departments, Government Undertakings, local bodies and private parties shall also be furnished separately by 31st January, 2007.

(Rs. in lakh)

S.N.	Name of consumer/ organisation	Month & year the amount due	Energy charges billed	Delayed payment surcharge	Total
------	-----------------------------------	--------------------------------	--------------------------	------------------------------	-------

Action taken shall be reported to the Commission by 31st March, 2007.8.17 Directive-17 Collection of Arrears The Board had announced One Time Settlement Scheme (OTS) in the month of April, 2006 for recovery of outstanding energy dues from the consumers by waiver of delayed payment surcharge for which neither approval of the Commission was sought by the Board, much less the Commission had no information about this scheme having been launched by the Board. Pursuant to this in a matter of waiver of delayed payment surcharge to defaulters of powerloom weavers of Nathnagar, Bhagalpur and other places, the BSEB sought permission from the Commission vide its letter no. 874 dated 30th August, 2006 to permit its remission by the Board as there was no such provision in the Board's Tariff clothing the Board with the power of remission of part of tariff, in response to which the Commission sought information from the Board as to whether the loss suffered by the Board by waiver of DPS had been compensated by the State Govt, when One Time Settlement Scheme was introduced by the Board in the month of April, 2006. Now the response received from the Board in response to query made by the Commission was more puzzling as now

on being asked by the Commission on 05.09.06 the Board informed the Commission that in accordance with the provisions made in the Electricity Act, 2003 under Section 65, the Government on 11.9.2006 has been requested to compensate Rs. 71.24 crores on account of waiver of DPS under OTS scheme. While the matter was being examined by the Commission and certain information were further sought from the Board, the Board again announced OTS scheme on 2nd October, 2006 which is to be put in force till March, 2007. Least said is better about all these happenings as what was utility for seeking permission of the Commission for waiver of DPS of defaulters of powerloom weavers, if the Board is harping on the same tune caring little for directives of the Commission. Though provision of section 108 of the Electricity Act, 2003 requires that the State Commission shall be guided by the direction in matters of policy involving public interests as the State Government may give it in writing, the Commission was never informed by anybody/authority about this major decision having been taken. The Commission is quite unaware as to at which level the decision to waive the delayed payment surcharge was taken, though the Board has itself acknowledge in its letter No. 194 dated 7th February, 2006 addressed to the Department of Energy, Government of Bihar, Patna that the delayed payment surcharge was part of tariff. Though it appears from the xerox copy of the letter sent to Energy Department by the Board on 11.09.06 that the Govt, of Bihar has been moved to compensate the loss of revenue suffered by the Board to the tune of Rs. 71.24 crores due to waiver of delayed payment surcharge in respect of OTS scheme launched in April, 2006, taking recourse to provisions of Section 65 of the Electricity Act, 2003, one should not lose sight of the fact that if this be the subsidy then it would not be operative unless the Government pays in advance to compensate the consumer affected by grant of subsidy. Even if there be direction of the Government (for which Commission has no information) that shall not be operative notwithstanding any direction which will be given under Section 108, if the payment is not made in advance in accordance with provision contained in the section. The question yet remains unanswered by the Board. The Board should submit the details of recovery of arrears under the first OTS announced in April, '06 and also the recovery under the second OTS scheme in force from October, '06 onwards in format given below. The first report shall be submitted by 31st January, '07 and the second report after the scheme is over in March, 07.

(Rs. in lakh)

S.N.	Name of consumer/ organisation	Amount of arrears due	Amount of DPS due	Arrears collected	DPS waived	Total collection
------	-----------------------------------	--------------------------	----------------------	----------------------	---------------	---------------------

1.18 Directive-18 Asset Register The Board shall maintain separate asset registers for the 3 businesses viz. Generation, Transmission and Distribution. If such registers are already available, the same may be submitted to the Commission for perusal. In case such registers are not available the same may be got prepared by July, 2007. 1.19 Directive-19 Time of Day (ToD) Tariff Some consumer organizations have suggested to introduce TOD tariff which will help flattening of load curve and reduce peak demand. The National Electricity Policy also stipulates for introduction of TOD tariff. BSEB shall come up with a plan for introduction of TOD tariff and metering for HT consumers in the first phase followed by LT industries and Non-Domestic consumers. Such plan shall be submitted to the Commission alongwith next tariff petition. 1.20 Directive-20 Recovery of Fuel Price

Adjustment from Consumers Paying Monthly minimum ChargesAn issue has been raised by a number of consumers/consumer organisations that the Board is recovering the fuel adjustment charges on monthly minimum consumption and not on the actual energy consumption by the consumer. Thus the consumer has to pay fuel adjustment charges for the energy actually not consumed. The Commission is of the opinion that the fuel adjustment charges shall be charged only on energy actually consumed and not on monthly minimum consumption. The BSEB shall submit a factual report in the matter to the Commission by 31st January, 2007.

1.21 Directive-21 Fuel & Power Purchase Price AdjustmentA formula is approved by the Commission for adjustment of any increase/ decrease in fuel prices and power purchase price. Any adjustments in the Fuel/ Power purchase costs, the additional cost to be recovered from consumers or to be refunded shall be got approved by the Commission on furnishing all relevant details and data required to enable proper calculation.

1.22 Directive-22 Adjustment of Payment of Current Bills against Delayed Payment Surcharge (DPS)Some of the consumer organisations have pointed out in the public hearings that the payments made by the consumers towards the current bills are adjusted first against the DPS and the balance against arrears and that is not taken as payment against current bills, thereby showing the current bill amounts as arrears. Though the officers of the Board had refuted this at the public hearing, the contention of the consumers seems to be correct as could be seen from the Annual Accounts of 2002-03, which shows that the amount collected against DPS during 2002-03 was Rs. 388.94 crore and it was Rs. 393.77 crore during 2001-02. This indicates that the amount collected is being adjusted against the DPS, but not against current bills or arrears. Consumers expressed their concern that when they proposed to settle the dues under One Time Settlement Scheme, the DPS against outstanding appears to be NIL showing consumers as continuous defaulters. Consumers are aghast at this situation. This procedure is wrong. When a consumer is in default, the service has to be disconnected after due notice. If it is not disconnected and continued to be live for some reason or other, the arrears including DPS shall be dealt separately and any payments made against current bills shall be adjusted against the current bills only. This is the normal practice followed in most of the utilities. In regard to the arrears, which generally cover DPS also, it is normally collected in instalments. The issue shall be examined in detail and a report on the procedure followed shall be submitted to the Commission by 31st January 2007 in order to enable the Commission to make a study of the issue and issue necessary directions in the matter.

1.23 Directive-23 Organizing Operational Circles as Cost CentresEach of the operation circles in the distribution wing shall be organized as cost centers to be accountable for (i) energy accounting i.e. energy drawn and billed in the circles, Distribution loss, (ii) Metering, (iii) Meter reading, billing & revenue collection. Targets could be set for various parameters and monitored. Ministry of Power also has suggested under APDRP to organize operation circles as cost/profit centres. The Board should direct all the operation circles in distribution to organize cost centres to make them accountable for their performance by setting targets for performance. Organizing cost centres would also create competitive environment among them to improve the performance. The Board is directed to draw out an action plan to organize the cost centers upto division level to make them accountable for their performance and submit it to the Commission by 31st March, 2007.

1.24 Directive-24 Performance of BSEB own Generating Stations and their ParametersThe BSEB has a total generating capacity of 540MW and the generation level is of the order of 30-50 MW. Both the generating units at Muzaffarpur TPS are under shut down since October, 2003 and two units at Barauni TPS are also under shut down since 1995-1996. These generating units must be

put back in service on war footing in view of energy security reasons. BSEB has informed that the renovation and modernization of two units at Barauni has been taken up and Muzaffarpur power plant is being taken over by a joint venture company of NTPC and BSEB. In the present Tariff filing, the performance parameters for the units are not clearly spelt out and no steps seem to have been taken or promised to be taken to improve them. The fuel cost projected is abnormally high. After the R&M work is completed for both the 110 MW units of Barauni TPS. The BSEB should come out with performance parameters for these units, such as Heat Rate, Auxiliary Consumption, Specific Oil Consumption, Plant load factor, transit loss of coal etc., which shall be comparable with CERC norms. A reliable arrangement shall be made to measure the calorific value of coal received. The Board shall submit a detailed report on the current status of R&M and restoration of generating units at both the power stations along with report on action taken about performance parameters of its generating stations by 31st January, 2007.

1.25 Directive-25 New Generation Projects The State is experiencing power shortage of varying degrees from month to month. There has been no capacity addition in the State for more than two decades. Though BSEB has indicated in their Tariff Petition about setting up new power plants in the State, the required approval/clearances are yet to be obtained from the concerned agencies. The BSEB is directed to expedite the process of setting up of new generation projects in the State and submit quarterly progress report on the same to the Commission. The first such report shall be submitted in April, 2007.

1.26 Directive-26 Employee Cost As per information made available by the BSEB, the employee cost of BSEB is high which stands at about 40% of the total revenue income from sale of power at existing tariff. It works out to be around 120 paise per KWh of energy sold, whereas, in other states, even where the State Electricity Board has not been restructured, it is of the order of 60 paise per KWh of energy sold. There is no infrastructure in some crucial and important activities whereas there is excess staff in some departments which are not so significant. The BSEB is directed to enforce economy and austerity measures in their operations and take urgent steps to reduce establishment cost by utilizing the existing man-power optimally imposing restrictions on creation of posts, introducing revised work load norms and also reducing posts which are not significant. BSEB shall set up a committee to suggest and recommend deployment of existing man-power to achieve optimum utilization of available work force. BSEB is also directed to identify the surplus staff and deploy them, after proper training in the areas of customer service, such as meter reading, billing and revenue realisation, so as to provide better service to the consumers. A report on the action taken may be sent to the Commission by 30th June, 2007.

1.27 Directive-27 Energy Conservation A well-known proverb is that energy conserved is energy generated and to conserve energy, the consumers are required to be well educated by way of demonstrations, holding meetings at various levels and through print media so that energy consumption can be reduced considerably by adopting economy measures such as use of energy efficiency lighting, high efficiency and standard make household appliances, high efficiency pumpsets preferably with labels of Bureau of Energy Efficiency (BEE) and other energy conservation devices. All categories of consumers should be well appraised of the newly developed latest energy conservation devices so that the energy conserved can be utilised for more productive purposes and in consonance with direction issued by the Ministry of Power, Government of India, it shall be made mandatory to use ISI mark motor pumpsets, power capacitor, foot/reflex bulbs in all new connections in agriculture sector.

1.28 Directive-28 Investment Programme It is observed that the Board has neither submitted any future investment programme nor the details of capital works in progress (CWIP) with the Tariff

Petition. The BSEB is directed to submit within next three months their investment programme for the next 5 years and details of CWIP. A quarterly progress report on major investment works should also be furnished regularly to the Commission and the first such report for quarter ending March, 2007 be submitted in April, 2007.

1.29 Directive-29 APDRP Schemes The Ministry of Power, Government of India is providing assistance for augmentation of sub transmission and distribution network including metering under APDRP. 25% of project cost is provided as grant and the balance as soft loan by REC. Schemes costing about Rs. 866.76 crores have been sanctioned for BSEB by Ministry of Power, Government of India under APDRP. The status of implementation of these schemes, amount utilized upto 31st December, 2006, the benefits accrued by way of increase in metered sales, reduction of distribution loss, improvement in quality of supply, revenue etc. shall be reported to the Commission by 31st March, 2007.

1.30 Directive-30 Registered and Effective Consumers It is observed from the Tariff Petition filed by BSEB that the consumers are categorized as registered and effective. The registered consumers are those entered in the books and effective consumers are those whose services are alive. Thus a large number of consumers who are on books (registered) are not live and billed. It could be possible that some of these consumers might be availing electricity. The services of consumers which are not live for more than three months should be given notice for clearing the arrears and getting the supply restored within a specified time, if they fail to do so, the connection of these consumers shall be dismantled and action taken to realize the dues. Such services shall be closely monitored by the Board and stringent action under the provisions of the Electricity Act, 2003 against such consumers be taken who are availing supply. The service connections having no dues and not willing to take reconnection should be removed from the books immediately. A report on the action taken shall be sent to the Commission by 31st March, 2007.

1.31 Directive-31 Cost of Supply and Cross Subsidy As per Clause (g) of Section 61 of the Electricity Act, 2003, the Commission is to ensure that the tariff progressively reflects the cost of supply and cross subsidy is reduced and eliminated within a specified period. In this context, the Commission directs the Board to carry out a study to ascertain voltage-wise and consumer category-wise cost of supply. This is necessary for the purpose of better tariff design as also to find out the nature and extent of cross subsidy. The BSEB shall carry out the study and submit the study report to the Commission within a period of six months.

1.32 Directive-32 Restrictions on Consumption of Energy Since generation of energy is quite insignificant in the State and the power available including that purchased from other agencies is not adequate, the Board has been resorting to unscheduled load shedding. Though some part of the urban areas are privileged in this matter for getting supply of electricity, rural area is the worst casualty. The view of the Commission is that if one does not have adequate resources to cater to the requirement of the vast masses who are needy, rationing is the only option in a welfare state where everyone has equal right for use of a scarce commodity. It is high time in the State that people should be conscious in the matter of energy consumption and should put restriction on use of electricity voluntarily which would be self regulating, though it cannot be ruled out that exigency may arise when it could be regulatory compulsion for mandatory restriction on consumption of electricity. The Commission directs the Board to educate the consumers to co-operate with the Board in restricting the use of electricity by voluntary effort.

1.33 Directive-33 SCADA and Data Management The Commission feels that for effective working of distribution system a time bound programme for implementation of SCADA and data management is essential. A report on implementation of such a scheme should be submitted by the Board for approval by the Commission by March, 2007.