

Ministry of Power

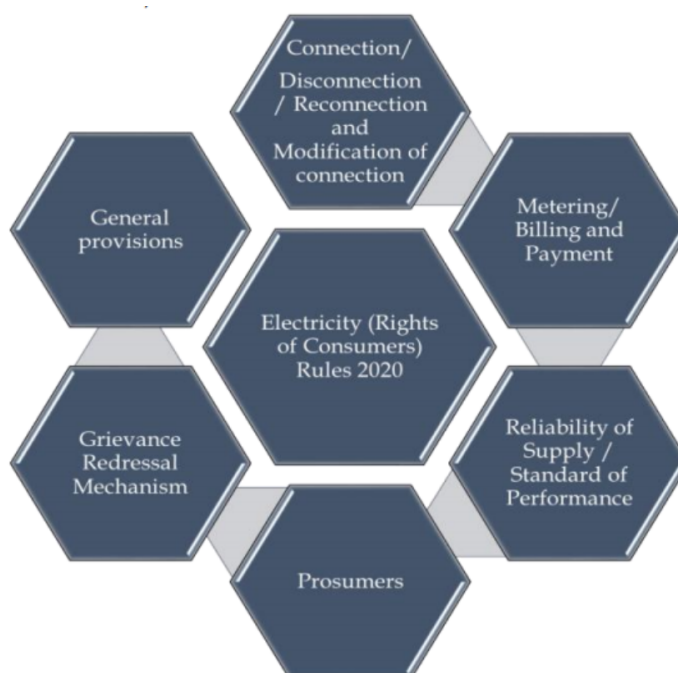
Powering Ease of Doing of Business through the “Electricity (Rights of Consumers) Rules, 2020”

December 21, 2020

Relevant to all Mahindra Businesses

Background

- The ministry in September published a set of draft rights for electricity consumers under the Electricity Act, 2003, which has a consumer charter.
- The latest rules empower consumers and introduce new supply rights for them.
- The Electricity (Rights of Consumers) Rules, 2020, seek timely and simplified procedure for connections, expedited modification of the existing ones, 2% to 5% rebate on serving bills with a delay of 60 days or more. It allows payment of all bills worth Rs 1,000 or more online.
- The policy proposes suspension of licences in case of non-availability of adequate power supply arrangements and the imposition of penalties in case of disruptions in supply to consumers, except due to force majeure condition or technical faults.



https://www.eqmagpro.com/wp-content/uploads/2020/09/Summary_Draft-Electricity-Rights-of-Consumers-Rules-2020-1.pdf

What is the bill about?

- Presently, the Consumer Charter under the Electricity Act 2003 provides a synopsis of rights of consumers of electricity but most states have not implemented them.
- As per the draft rules, the state regulatory commissions have to specify a maximum time period of seven days in metro cities, 15 days in municipal areas and 30 days in rural areas to provide for new connections and modify existing ones.
- If a discom fails to bill consumers and later sends accumulated bills for two or more cycles, the consumer will be entitled to 2-5% rebate in the billing amount.
- The exact rebate percentage will be fixed by the state regulator. The distribution licensee shall also replace faulty/stolen meters within 24 hours in urban areas and 72 hours in rural areas.
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- Also, the distribution licensees shall not generate more than two provisional bills for a consumer in one financial year, except under extraordinary situations. The power distribution company should also supply 24x7 electricity to consumers other than those exempted by the regulator.

For Further Study

1. <https://energy.economictimes.indiatimes.com/news/power/electricity-consumer-rights-rules-to-be-notified-soon/78023845>
2. https://www.eqmagpro.com/wp-content/uploads/2020/09/Summary_Draft-Electricity-Rights-of-Consumers-Rules-2020-1.pdf
3. <https://indianexpress.com/article/business/electricity-rights-of-consumers-rules-2020-norms-bring-in-compensation-mechanism-7115822/>
4. <https://static.pib.gov.in/WriteReadData/userfiles/final%20-%20Copy%202.pdf>
5. <https://pib.gov.in/PressReleasePage.aspx?PRID=1682384>