

PUNJAB STATE ELECTRICITY REGULATORY COMMISSION
SCO NO. 220-221, SECTOR 34-A, CHANDIGARH

Amendment in Consumer Complaint Handling Procedure (CCHP).

ORDER:

Present: Sh. D.S. Bains Chairman
 Sh. S.S.Sarna Member

1.0 The Dispute Settlement Committees (DSCs) were established by erstwhile PSEB as an internal mechanism for redressal of the consumer grievances in accordance with the powers conferred under section 49 read with sub-section (j) of section 79 of Electricity (Supply) Act 1948. With enactment of Electricity Act, 2003, the approved internal mechanism of the licensee for redressal of consumer complaints under section 42(5) is through a 'Forum for Redressal of Grievances of the Consumers'. Section 42(5) provides that

“Every distribution licensee shall, within six months from the appointed date or date of grant of licence, whichever is earlier, establish a Forum for redressal of grievances of the consumers in accordance with the guidelines as may be specified by the State Commission.”

The composition of Forum established under sub-section (5) of section 42 has further been provided in Rule 7 of the Electricity Rules, 2005 framed under section 176 of the Act.

2.0 Accordingly, the Commission in exercise of powers conferred under section 181(r) and (s) of the Act notified PSERC (Forum and Ombudsman) Regulations, 2005 providing guidelines to the licensee for redressal of grievances of the consumers. However,

the DSCs have been allowed to continue under regulations 4 & 5(2) of PSERC (Forum & Ombudsman) Regulations, 2005 for which the Commission notified Consumer Complaint Handling Procedure (CCHP) vide Notification No. PSERC/Secy./Regu.88 dated 4th October, 2013 laying down the guidelines and constituting various Dispute Settlement Committees for expeditious disposal of consumer grievances. However, the consumer has the right under regulation 4 of the PSERC (Forum and Ombudsman) Regulations, 2005, as amended from time to time, to approach the Forum directly without first filing his/her complaint before the DSCs. The recommendation for continuation of any dispute resolution mechanism prevailing before enactment of Electricity Act 2003 has also been made in the Model Regulations for Protection of consumer Interests (Consumer Grievances, Forum, Ombudsman & Consumer Advocacy) approved by Forum of Regulators.

- 3.0 The Forum of Regulators (FOR) has been constituted in pursuance of the provisions under Section 166 (2) of The Electricity Act, 2003. Further in exercise of the powers conferred by sub-section 1 of section 176 read with sub-section (2) & (3) of section 166 of The Electricity Act, 2003, the Central Govt. made Forum of Regulators Rules, 2005. The functions of the Forum listed in these Rules include harmonisation of the regulations prevalent in power sector and to evolve measures for protection of interest of consumers and promotion of efficiency, economy and competition in the power sector. Accordingly, the Model Regulations for Protection of consumer Interests (Consumer Grievances, Forum, Ombudsman & Consumer Advocacy) were framed and approved by the Forum

of Regulators, which have been adopted by the State Electricity Regulatory Commissions' (SERCs) with State specific amendments.

- 4.0 To empower justice to the consumers and disposal of consumer complaints in a more fair & transparent manner, Principal Secretary to Govt. of Punjab, Department of Power, issued Office Order No.1/29/2015-EB(PR)505 dated 14.8.2015 received vide Endst.No.1/29/2015-EB/PR/506 dated 14.08.2015, wherein following directions under section 108 of the Electricity Act, 2003, were issued to the Commission:

“Whereas the Punjab State Electricity Regulatory Commission (PSERC) vide his Notification No.PSERC/Secy./Regu.-88 dated 4.10.2013 has approved the constitution of Dispute Settlement Committee for redressal of complaints relating to supply of electricity by the Distribution Licensee under Consumer Complaint Handling Procedure in terms of the provisions of Regulation-5 (2) of the “PSERC (Forum & Ombudsman) Regulation, 2005.

Whereas, in order to empower justice to the consumers and for disposal of consumer complaints in a more fair and transparent manner, the Government of Punjab in exercise of powers conferred upon it under Section 108 of the Electricity Act, 2003 directs that the Punjab State Electricity Regulatory Commission shall be guided in the matter relating to the Consumer Complaint Handling Procedure as per the amendment below henceforth:-

- i) One consumer representative in case of Circle Dispute Settlement Committee and two consumer representatives in*

case of Divisional Dispute Settlement Committee shall be nominated by the concerned Deputy Commissioner.

ii) Chairperson of Circle and Divisional Dispute Committees shall be nominated by the concerned Deputy Commissioner.”

The directions were considered by the Commission and the same was disposed of vide order dated 10.09.2015. As per this Order, the 1st amendments in CCHP was issued vide notification No. PSERC/Secy./Regu.107 dated 16.09.2015 incorporating the direction at Sr. No. (i) above but direction at Sr. No. (ii) was not approved since it was felt that it is not consistent with the provisions of the Electricity Act, 2003 and PSERC (Forum and Ombudsman) Regulations, 2005. The issue whether any direction given by the State Govt. under section 108 of the Act, is binding on the Commission or not, reference was made to Hon'ble Appellate Tribunal order dated 19.09.2014 in Appeal No.207 of 2013 wherein it was held that

“the State Commission in discharge of its function under the Electricity Act, 2003, has to be guided by the directions of the State Government under section 108 of the Electricity Act, 2003, but the same are not mandatory and binding upon the State Commission”

5.0 Thereafter, Principal Secretary to Govt. of Punjab, Department of Power again issued an office order no. 1/29/2015-EB(PR)254 dated 30.03.2016 under section 108 of the Act directing the Commission to amend clause 4(1)(ii) and 4(1)(iii) of the CCHP to include three private persons as nominee from various sections of society to be nominated by Deputy commissioner and the Chairperson shall be from amongst these three nominated members.

6.0 The matter was reviewed and it was decided to seek comments of PSPCL on the proposal of GoP for which CMD/PSPCL was requested vide Commission's letter dated 26.04.2016. PSPCL vide letter dated 12.05.2016 emphasised that DSCs constituted in accordance with Electricity (Supply) Act 1948 are the internal dispute resolution of the licensee and there is no separate provision in the Electricity Act, 2003 or Rules or Regulations prescribing qualification and experience of the members of such committees. Thus, these committees have been constituted on the lines of Forum for Redressal of Grievances of the consumers as per section 42(5) of the Act and it will not be appropriate to appoint any other than officer of the licensee as Chairperson of these DSCs. PSPCL proposed that the present representation of two members may be increased to three but Chairperson should be PSPCL officer. PSPCL brought that as per the provisions of the Act, although consumer has the right to appeal to Forum but the licensee has no remedy to go for appeal against the decision of these DSCs. PSPCL therefore proposed that PSPCL may be granted right to approach Forum/Ombudsman in case matter is decided against the licensee. PSPCL was asked vide Commission's letter dated 17.05.2016 to indicate the relevant provision under which the power to appeal can be vested with the licensee but no proposal/reply has been received from PSPCL.

7.0 As the matter was under the consideration of the Commission, a revised proposal was issued by Principal Secretary to Govt. of Punjab, Department of Power under section 108 of the Act vide office order no. 1/29/2015-EB(PR)458 dated 31.05.2016 directing

the Commission to amend clause 4(1)(ii) and 4(1)(iii) of the CCHP as under:

Amendment to Clause 4(1)(ii): Circle Dispute Settlement Committee (CDSC)

The Clause 4(1)(ii) shall be substituted as under:

- a) Dy.CE/SE(DS) concerned Member Secretary
- b) One officer from Accounts & Finance Member
cadre not below the rank of Dy.CAO/Dy.CA
or of equivalent status
- c) One officer from commercial wing not below Member
the rank of Addl.SE/Sr.Xen.
- d) Two private persons as nominee from various Members
sections of the society to be nominated by
Deputy Commissioner concerned

NOTE: The Chairperson of CDSC shall be from (d) above to be appointed by Deputy Commissioner concerned.

Amendment to Clause 4(1)(iii): Divisional Dispute Settlement Committee (DDSC)

The Clause 4(1)(iii) shall be substituted as under:

- a) Addl.SE/Sr.Xen (DS) concerned Member Secretary
- b) One officer from Accounts & Finance Member
cadre not below the rank of Accounts officer
- c) XEN/AEE/AE to be designated by SE(DS) Member
Circle from within the circle
- d) Two private persons as nominee from various Members
sections of the society to be nominated by Deputy
Commissioner concerned

NOTE: The Chairperson of DDSC shall be from (d) above to be appointed by Deputy Commissioner concerned.

Thus in the revised proposal three members from PSPCL and two public representatives have been proposed. The above directions have been issued by the State government under section 108 of the Act in public interest for the second time with the aim to protect public interest by giving more representation to public representatives in these DSCs.

8.0 We may refer to section 108, which reads as under:

“108. Directions by State Government.-(1) In the discharge of its functions, the State Commission shall be guided by such directions in matters of policy involving public interest as the State Government may give to it in writing.

(2) If any question arises as to whether any such direction related to a matter of policy involving public interest, the decision of the State Government thereon shall be final.”

Thus the Commission is duty bound “to be guided” by such directions of the State Government issued in public interest. It has therefore been decided to review the matter again and also review the earlier Order dated 10.09.2015 of the Commission as per the provisions of regulation 70 of PSERC (Conduct of Business) Regulations, 2005 which reads as under:

“70. General power to review and rectify:-

(1) The Commission may on its own motion review any of its decision, direction or orders and pass such appropriate orders as the Commission thinks fit.

(2) The Commission may, at any time, rectify any defect or error in any proceeding before it.”

Further Regulation 64(8) provides that

“64(8)The quorum for the meeting of the Commission to review any previous decision taken by the Commission shall be Chairperson and all Members.”

9.0 The directions of the State Government under section 108 of the Act, the observations/comments of PSPCL and earlier Order of the Commission dated 10.9.2015 was reviewed by the Commission and it was decided to consider the directions of the Govt. of Punjab and also address the concerns of the distribution licensee and to formulate a proposal taking in to account the observations of the Commission contained in its Order dated 10.9.2015. Accordingly, the staff of the Commission prepared a background paper proposing amendments in CCHP wherein the major concern of the licensee particularly regarding absence of power to appeal with the licensee against the decision of DSCs was addressed by proposing amendment in clause 6(8). Although CCHP is not a regulation framed under Section 181 of the Act which is subject to the condition of previous publication but to maintain transparency in accordance with provision of section 86(3) of the Act which provides that the State Commission shall ensure transparency while exercising its powers and discharging its functions, it was decided by the Commission to invite public comments and objections. The Background paper inviting comments/objections on the following amendments in CCHP were invited vide public notice dated:

1. Amendment to Clause 4(1)(ii): Circle Dispute Settlement Committee (CDSC)

The Clause 4(1)(ii) shall be substituted as under:

a) Dy.CE/SE(DS) concerned

Member Secretary

- | | | |
|----|---|----------------|
| b) | <i>One officer from Accounts & Finance cadre not below the rank of Dy.CAO/Dy.CA or of equivalent status</i> | <i>Member</i> |
| c) | <i>One officer from commercial wing not below the rank of Addl.SE/Sr.Xen.</i> | <i>Member</i> |
| d) | <i>Two persons as nominee from various sections of the society to be nominated by Deputy Commissioner concerned</i> | <i>Members</i> |

The Circle Dispute Settlement Committee will have the jurisdiction to dispose of the complaints involving monetary disputes of an amount exceeding Rs. One lac and upto Rs. Four lac, in each case.

NOTE:

1. *The Chairperson of CDSC shall be from (d) above to be appointed by Deputy Commissioner concerned.*
2. *Chairperson & Member of CDSC nominated by D.C shall be governed by following terms and conditions:*
 - (i) *He/She should have adequate experience of consumer/public affairs or law or may be associated with a NGO*
 - (ii) *He/She shall have working knowledge of Punjabi*
 - (iii) *He/She shall not have been in the employment of the distribution licensee*
 - (iv) *He/She will hold office for a maximum period of two years subject to overall age limit of 65 years.*
 - (v) *The services can be terminated without assigning any reason by D.C concerned by giving one month notice by either party.*

2. Amendment to Clause 4(1)(iii):

Divisional Dispute Settlement Committee (DDSC)

The Clause 4(1)(iii) shall be substituted as under:

- a) *Addl.SE/Sr.Xen (DS) concerned* *Member Secretary*
- b) *One officer from Accounts & Finance* *Member*
cadre not below the rank of Accounts officer
- c) *XEN/AEE/AE to be designated by SE(DS)* *Member*
Circle from within the circle
- d) *Two persons as nominee from various sections* *Members*
of the society to be nominated by Deputy
Commissioner concerned

The Divisional Dispute Settlement Committee will have the jurisdiction to dispose of the complaints involving monetary disputes up to Rs. One Lac in each case.

NOTE:

1. *The Chairperson of DDSC shall be from (d) above to be appointed by Deputy Commissioner concerned.*
2. *Chairperson & Member of DDSC nominated by D.C shall be governed by following terms and conditions:*
 - (i) *He/She should have adequate experience of consumer/public affairs, or law or may be associated with a NGO*
 - (ii) *He/She shall have working knowledge of Punjabi*
 - (iii) *He/She shall not have been in the employment of the distribution licensee*
 - (iv) *He/She will hold office for a maximum period of two years subject to overall age limit of 65 years.*

- (v) *The services can be terminated without assigning any reason by D.C concerned by giving one month notice by either party.*

3. Amendment to Clause 6(8):

Procedure for Redressal of Complaint(s)

The sub-clause 6(8) shall be substituted as under:

6(8) The quorum for ZDSCs/ CDSCs/ DDSCs shall be three members, out of which atleast two shall be members of the distribution licensee. All decisions shall be taken unanimously. In case of lack of consensus, the matter shall be referred to Forum for Redressal of Grievances of consumers constituted under PSERC (Forum & Ombudsman) Regulations, 2005.

For timely disposal of grievances:

- a) Committees shall hold hearings at least once in a month or more depending upon pendency of cases.*
- b) The Member Secretary of the Committee shall co-ordinate and specify days and time for hearings with the consent of Chairperson to ensure availability of officers of Commercial and Accounts wings.*
- c) Agenda for hearings shall be prepared in advance and due intimation in this regard to be sent to the aggrieved consumer as well as to the concerned office of the distribution licensee.*
- d) No adjournment shall be ordinarily granted unless sufficient cause is shown and reasons for grant of*

adjournment have been recorded in writing by the Committee.

- e) *Where the concerned officer/official of the distribution licensee or complainant (or its representative) fails to appear before the Committee on the date fixed for hearing on more than two occasions, the Committee may decide the grievance ex-parte.*

10.0 Against public notice dated 17.06.2016, three number public objections were received. The gist of the comments/objections is as under:

- i. The Commission in its Order dated 10.09.2015 has very clearly and unambiguously decided that firstly DSCs are the internal mechanism of the utility and the committees have to be constituted keeping this into view. It will be not appropriate to appoint any person other the officer of the licensee as the Chairperson. In such matters direction under section 108 is not binding. As such the order issued under section 108 of the Act by Department of Power vide office order no. 1/29/2015-EB(PR)458 dated 31.05.2016 shall not be binding on the Commission.
- ii. The electricity matters are highly specialized job. The person have to be fully conversant with the all the statutes in vogue. A public person cannot be able to give a fair judgment who has not worked in the field.
- iii. The political interferences in day to day working of the utility will increase.

- iv. In case these Chairmen are provided with Car, offices and staff, it will add to the cost of electricity where as at present DSCs are working without any extra burden.
- v. Under Section 88 of Electricity Act, 2003, this proposal must be referred to State Advisory Committee as the subject is clearly within purview of this Committee.
- vi. The matter needs to be put up to Forum of Regulators for its deliberation and comments.
- vii. There is no safeguard, check or balance against misuse of authority, nepotism or favouritism in appointment on extraneous considerations.
- viii. The Act of 2003 empowers the State Regulatory Commission under section 181 to frame regulations for constitution of Forum and to lay down terms & conditions for appointment of chairman and members of such forum but not to constitute any other authority under any other name and frame, terms and conditions for appointment of chairman/members of such extra-constitutional body.
- ix. The State Commission is not bound to follow Directives of the Govt. to frame regulations to carry out any such act which is not provided in the Act 2003 and particularly against the letter and spirit of the provisions of the Act passed by the Parliament.
- x. Under these provisions, the State Commission had over ruled the directive of the State Govt. keeping in view the ruling of

Madras High Court that State directive cannot be ultra vires of the spirit of the Act.

- xi. The DSCs were constituted by erstwhile PSEB as per the powers provided to it by section 79 of Electricity Supply Act 1948. This internal grievances settlement mechanism was replaced with Forum for redressal of grievances of consumers as per section 42(5) of the Electricity Act 2003. The provision of now proposed Dispute Settlement Committees itself is illegal as it contravenes section 42(5) of the Electricity Act 2003 and Rule 7(1) of Electricity Rules 2005 as it does not empower the State Govt. and State Regulator to alter basic provisions of the Act and Rules framed there-in. Further the proposal to appoint public men as chairmen of these committees by DC is illegal as the Act has given powers to either the licensee or the Commission to appoint chairman/members of Forum or Ombudsman but not to any other authority like DC or Commissioner.
- xii. Appointing Chairperson/members of Dispute Settlement Committees on political grounds will lead further grievances of consumers as decisions will be done purely on political considerations whereas the committees are supposed to give justice to all irrespective of any political affiliation.
- xiii. The selection/appointment procedures to be followed by the DC are not transparent. Therefore any directions that may be issued by State Govt , may be under Sec 108 , do not meet the requirement of transparency which the

Commission has to ensure under section 86(3) of the E Act 2003.

- xiv. Any direction of State govt which is not transparent is not binding on Commission which is bound by sec 86(3). State Govt has not issued a Statement of Objects and Reasons relating to the Direction issued under Section 108, nor is there any other document which would meet the statutory requirement of transparency.
- xv. By putting the clause "experience of consumer/public affairs or law..." will open the doors for politicians since every politician has experience of public affairs. Since every politician deals with public affairs any politician at any level, may be a local jathedar or defeated MLA or political functionary of any type , would qualify for appointment .

11.0 PSPCL vide Chief Engineer/Commercial letter dated 25.07.2016 submitted as under:

“ the present proposal of nomination of two representatives to be nominated by DC concerned for Circle and Divisional Level Committees with their defined eligibility criteria as per the Background Paper containing draft amendments in CCHP is acceptable to PSPCL, so far as their nomination is limited to Members of the said Committees. But their nomination as Chairperson is not consistent with the provisions of the Electricity Act, 2003 and PSERC (Forum & Ombudsman) Regulations, 2005 as already reasoned by Hon’ble Commission in its Order dated 10.09.2015 for first amendment of CCHP.

In view of above, PSPCL partly agrees with the proposals in the Background Paper for amendment of CCHP”.

12.0 The above suggestions, comments and objections of the stakeholder including that of PSPCL have been considered by the Commission and the views of the Commission are as under:

12.1 Whereas the suggestion that the Chairperson of the Committee must have knowledge of electricity matters and should be fully conversant with all the statutes in vogue is concerned, it is the considered view of the Commission that the Chairperson of the Committee will be just one of the members of the DSCs with no special powers whereas other members of the Committee will be the officers of the distribution licensee who are specialists from Engineering/ Commercial and Audit Wings. The presence of public person will instill a sense of confidence in the minds of consumers about the fairness and impartiality of these DSCs. Thus no harm will be caused by nominating public person as Chairperson of these committees. The public person appointed to these committees with adequate experience of consumer/public affairs or law or associated with a NGO shall be in addition to specialists from PSPCL.

12.2 The assertion that political interference in the day today affairs will increase is just an apprehension of the objector without any basis. The State Government and various departments of the Government are headed by public persons and in a democratic set up all these public persons are accountable to law and the public. Regarding objection that no protection against any wrong doing by these nominated members have been provided, we refer to Note

2(vi) below clause 4.2(ii) & 4.2(iii) wherein it has been provided that If the nominated member acts beyond the powers and the functions assigned to him as per CCHP, he shall be liable to be dismissed by the Commission without any notice.

- 12.3 One objector has stated that as per reports, the Chairman may be provided with Car, Office and Staff which will burden the consumers. In this regard we may refer to clause 6(9) of the CCHP which provides that *“a nominated member will certify that he has no personal interest in the complaint being considered. He will not be entitled to any travelling allowance, incidental expenses for attending the meeting(s) and will make his own arrangement”*.
- 12.4 Regarding suggestion to refer the matter to State Advisory Committee under section 88 of the Electricity Act, 2003, it is pointed out that as per section 88 of the Act, the objects of the State Advisory Committee is to advise the Commission but it is not mandatory for the Commission to refer each matter to the advisory committee before discharging its functions under the Act.
- 12.5 Whereas the assertion that Section 181 only empowers SERC to frame regulations for constitution of Forum and to lay down terms and conditions for appointment of Chairman and members of such Forum and does not give any power to SERC to constitute any other authority and frame terms and conditions for appointment of Chairman/members of such body, it is pointed out that Consumer Complaint Handling Procedure is not a regulation framed under section 181 of the Act but has been approved by the Commission as

envisaged in clause 4 and 5(2) of PSERC (Forum & Ombudsman) Regulations, 2005 for speedy resolution of consumer grievances. It is correct that instead of DSCs, Forum for Redressal of Grievances of Consumer as the internal mechanism for resolution of consumer grievances has been envisaged in section 42(5) of the Act but creation of any supplementary mechanism for protecting consumer interests has not been prohibited, provided that such a mechanism serves the purpose of protecting the interests of the consumers as envisaged in Electricity Act, 2003 read with National Electricity Policy and National Tariff Policy notified by the Central Government under section 3 of the Act.

Section 5.13 of the National Electricity Policy, 2005 lays emphasis on safeguarding the interest of the consumers and promoting the quality standards of supply of power. It reiterates the role of SERCs in setting up the mechanisms of CGRF and the Ombudsman. Section 8.0 of the Tariff policy lays emphasis on the supply of reliable and quality power of specified standards. The policy also emphasizes on the imposition of penalty on the licensees in case of failure to meet the standards. Following is the extract of the section 8.0 of the Tariff Policy:

“Supply of reliable and quality power of specified standards in an efficient manner and at reasonable rates is one of the main objectives of the National Electricity Policy. The State Commission should determine and notify the standards of performance of licensees with respect to quality, continuity and reliability of service for all consumers. It is desirable that

the Forum of Regulators determines the basic framework on service standards. A suitable transition framework could be provided for the licensees to reach the desired levels of service as quickly as possible. Penalties may be imposed on licensees in accordance with section 57 of the Act for failure to meet the standards.”

The DSCs do not infringe on any provision of law or the Act since it is an optional mechanism provided to the consumers to get their grievances settled at the local level in an expeditious manner. As per Forum & Ombudsman regulations, the consumer has the option to approach the Forum directly without approaching the DSCs.

- 12.6 The objector pointed out that the Act has not given powers either to the licensee or the Commission to appoint Chairman/Members of the Forum or Ombudsman and not to any other authority like DC or Commissioner. The provisions of Section 42(5) of the Act read with Rule 7(1) of Electricity Rules, 2005 are applicable for constitution of Forum and Ombudsman and are not applicable for DSCs. Since DCs have been authorized by the State Government to nominate public persons on DSCs so it is for the State Government to lay down procedure for their appointment as per the qualifications laid down by the Commission.

13.0 Conclusion and Decision of the Commission

Section 57 of the Act provides that Appropriate Commission may specify Standards of Performance of a licensee and in case of failure of the licensee to meet these Standards, he shall be liable to pay compensation to the person affected without prejudice to any penalty which may be imposed. Accordingly, the Commission

specified the minimum Standards of Performance and incorporated these in the Supply Code Regulations. The Commission also prescribed compensation for failure of the licensee to adhere to Standards of Performance prescribed for various services. However, from the information and the data supplied by the distribution licensee under section 59 of the Act, it has been observed that almost no amount of compensation has ever been paid to any aggrieved consumer. During public hearing, the general complaint of the consumers was that firstly, the compensation amount is too meagre and secondly these Dispute Settlement Committees are manned & headed by the officers of the distribution licensee, so any order holding their own colleagues guilty and responsible for violation of Standards of Performance are not expected from these Committees. The Commission has been receiving number of complaints regarding poor consumer service at the local level, excessive delay in restoration of supply, non-responsive attitude of the staff and absence of any credible and independent mechanism to resolve consumer grievances in a transparent manner. The present set up of DSCs has failed to address these grievances of the consumers and the Commission is duty bound to ensure that the local grievances settlement mechanism of the licensee must be restructured to make staff of the licensee answerable to the public. It is not practically possible for a consumer in a remote area of the State to approach The Forum for Redressal of Consumer Grievances stationed at Patiala to get his/her supply related complaints or petty bill related complaint settled for which the local grievances settlement mechanism needs to be strengthened.

With the State becoming power surplus and the distribution and transmission system of the State having been strengthened, the focus should now change to providing uninterrupted quality supply to the consumers for which the distribution licensee has to become more responsive, efficient and consumer friendly. The accountability of the distribution licensee and its employees for meeting the minimum Standards of Performance has to be fixed. To instil confidence amongst the consumers about the efficacy of these Committees, it is necessary to make them appear accountable, impartial and fair in their dealing with consumer grievances. Accordingly, the proposal/directions issued by the State Govt. in public interest under section 108 of the Act need serious attention.

In the earlier Order of the Commission dated 10.09.2015, the directions of the State Govt. to give powers to Deputy Commissioners to nominate Public representatives as Chairperson of DDSC/CDSCs were found inconsistent with the provisions of the Act and the regulations because the composition and manner of disposal of consumer complaints/grievances envisaged in CCHP applicable at that point of time were akin to those applicable in case of Forum for Redressal of Consumer Grievances constituted under PSERC (Forum and Ombudsman) Regulations, 2005. However, keeping in view the objections of the stakeholders and provisions of the Act, the Commission has decided to further revise the proposal to amend CCHP which is different from the existing provisions on the following grounds:

- i. As per the existing provisions of clause 6(8) of CCHP, the decision by the Committees are taken on the basis of

majority vote and in case of equality of votes the Chairperson in addition is having a casting vote. Thus the role of Chairperson become dominating. However this provision is proposed to be amended as under:

“6(8) The quorum for ZDSCs/ CDSCs/ DDSCs shall be three members, out of which atleast two shall be members of the distribution licensee. All decisions shall be taken unanimously. In case of lack of consensus, the matter shall be treated as a ‘Complaint’ and referred to Forum for Redressal of Grievances of consumers constituted under PSERC (Forum & Ombudsman) Regulations, 2005 within the meaning of regulation 2 (c) of these regulations.”

With this amendment in the role and manner of disposal of consumer grievance, the DSCs will become more of a reconciliation committee and no member will be having any special power to influence the decision of the Committee..

- ii. It is proposed to lower the monetary limits of all these Committees to settle pecuniary cases and also to prescribe upper cap for settlement of monetary disputes by these DSCs. After these amendments, the role of these Committees shall now be to provide immediate relief to the consumers by settling petty monetary/billing disputes. Moreover, to approach these DSCs even for petty disputes shall be the discretion of the consumer and he shall be at liberty to approach the Forum directly for resolution of his grievances.
- iii. The focus of these Committees after the amendment shall be to settle disputes and grievances of the consumers regarding

non-adherence of the Standards of Performance specified for providing quality service to the consumers.

- iv. The qualifications along with terms and conditions of appointment of nominated members have been prescribed to protect the interests of the distribution licensee and also of the consumers.

In view of the above, the Commission approves the 2nd amendment in CCHP as under:

(A) Amendment to Clause 4 of CCHP

The clause 4 shall be substituted as under:

- 4.1 Complaints of general nature such as delay in release of service connection, delay in issue of first bill/subsequent bills, defects in meter/metering equipments, delay in replacement of defective/dead stop meters, failure of power supply, voltage variations, non-restoration of supply in case of interruption or outage/breakdown or disconnection or even after payment of dues by the consumer and other miscellaneous defaults will be disposed of primarily by the AE/AEE incharge of the sub-division. In case the complainant is not satisfied with the response or service is not rendered within the time frame stipulated in Annexure-1 of the Supply Code, the complainant shall have the right to approach the Divisional Dispute Settlement Committee (DDSC) for redressal of his complaint & also for payment of compensation on account of failure on the part of the Licensee to meet the Standards of Performance.

Provided that the consumer shall have the right to approach the Forum for redressal of grievances of consumer constituted under section 42(5) of the Act directly without approaching the DDSC.

4.2 Complaints relating to the supply of electricity by distribution licensee involving monetary disputes arising due to wrong billing, application of wrong tariff or difference of service connection charges/general charges or security (consumption), overhauling of account due to defective/inaccurate metering, levy of voltage surcharge, billing of supplementary amount or any other charges except those arising on matters pertaining to Open Access granted under the Electricity Act, 2003 and Sections 126, 127, 135 to 140, 142, 143, 146, 152 and 161 of the Act will be disposed of by the following Dispute Settlement Committees (DSCs) constituted by the distribution licensee in accordance with the guidelines provided in CCHP.

Provided that the consumer shall have the right to approach the Forum for redressal of grievances of consumer constituted under section 42(5) of the Act directly without approaching these DSCs.

(i) Zonal Dispute Settlement Committee(ZDSC)

- | | | |
|----|--|------------------|
| a) | Chief Engineer/DS concerned | Chairperson |
| b) | One officer from Accounts & Finance cadre not below the rank of CAO/CA or of equivalent status | Member |
| c) | One officer of commercial wing not below the rank of Dy.CE/SE | Member |
| d) | Representative of industry (to be nominated by Director of Industry & Commerce, Punjab) | Nominated Member |
| e) | Representative of the consumer organization(s) | Nominated Member |

(to be nominated by the Divisional Commissioner in case where the Zone comprises of more than one district or Deputy Commissioner where the Zone comprises of one district only)

The Zonal Dispute Settlement Committee (ZDSC) will have the jurisdiction to dispose of the complaints involving monetary disputes of an amount exceeding Rs. One lac and upto Two lac in each case. The cases involving monetary disputes of an amount exceeding Rs. Two lac shall be handled by Forum for redressal of consumer grievances constituted under section 42(5) of the Act. Provided that the cases already registered with ZDSCs before date of notification of 2nd amendment to CCHP shall continue to be dealt with by respective ZDSCs.

(ii) Circle Dispute Settlement Committee (CDSC)

- a) Dy.CE/SE(DS) concerned Member Secretary
- b) One officer from Accounts & Finance Member
cadre not below the rank of Dy.CAO/Dy.CA
or of equivalent status
- c) One officer from commercial wing not below Member
the rank of Addl.SE/Sr.Xen.
- d) Two persons as nominee from various sections Members
of the society to be nominated by Deputy
Commissioner concerned

The Circle Dispute Settlement Committee will have the jurisdiction to dispose of the complaints involving monetary disputes of an amount exceeding Rs. Twenty Five Thousand and upto Rs. One lac in each case. Provided that the cases already registered with CDSCs before date of notification of 2nd amendment to CCHP shall continue to be dealt with by respective CDSCs.

NOTE:

1. The Chairperson of CDSC shall be from (d) above to be appointed by Deputy Commissioner concerned.
2. Chairperson & Member of CDSC nominated by D.C shall be governed by following terms and conditions:
 - (i) He/She must be having adequate experience of consumer/public affairs or law or may be associated with a NGO
 - (ii) He/She shall have working knowledge of Punjabi
 - (iii) He/She shall not have been in the employment of the distribution licensee
 - (iv) He/She will hold office for a maximum period of two years subject to overall age limit of 65 years.
 - (v) The services can be terminated without assigning any reason by D.C concerned by giving one month notice by either party.
 - (vi) The nominated members of CDSC shall confine their role to resolving consumer grievances as per the functions and the monetary limits provided in the CCHP. If the nominated member acts beyond the powers and the functions assigned to him as per CCHP, he shall be liable to be dismissed by the Commission without any notice.
3. The CDSCs shall hold meetings in some centrally located place of the town where consumers who need assistance for resolution of their grievances, can approach the committee easily. This meeting place should NOT be a part of any complex under the administrative control of PSPCL/PSTCL.

- (v) The services can be terminated without assigning any reason by D.C concerned by giving one month notice by either party.
 - (vi) The nominated members of DDSC shall confine their role to resolving consumer grievances as per the functions and the monetary limits provided in the CCHP. If the nominated member acts beyond the powers and the functions assigned to him as per CCHP, he shall be liable to be dismissed by the Commission without any notice.
3. The DDSCs shall hold meetings in some centrally located place of the town where consumers who need assistance for resolution of their grievances, can approach the committee easily. This meeting place should NOT be a part of the complex under the administrative control of PSPCL/PSTCL

4.3 The distribution licensee may appoint a Presenting Officer for each of these Committees.

4.4 Each Committee will be serviced by a Nodal Officer to be so designated. The Committee may authorize the Presenting Officer to act as a Nodal Officer.

(B) Amendment to Clause 6(8): Procedure for Redressal of Complaint(s)

The sub-clause 6(8) shall be substituted as under:

6(8) The quorum for ZDSCs/ CDSCs/ DDSCs shall be three members, out of which atleast two shall be members of the distribution licensee. All decisions shall be taken unanimously. In case of lack of consensus, the matter shall

be treated as a 'Complaint' and referred to Forum for Redressal of Grievances of consumers constituted under PSERC (Forum & Ombudsman) Regulations, 2005, as amended from time to time, within the meaning of regulation 2 (e) of these regulations.

For timely disposal of grievances:

- a) Committees shall hold hearings at least once in a month or more depending upon pendency of cases.
- b) The Member Secretary of the Committee shall co-ordinate and specify days and time for hearings with the consent of Chairperson to ensure availability of officers of Commercial and Accounts wings.
- c) Agenda for hearings shall be prepared in advance and due intimation in this regard to be sent to the aggrieved consumer as well as to the concerned office of the distribution licensee.
- d) No adjournment shall be ordinarily granted unless sufficient cause is shown and reasons for grant of adjournment have been recorded in writing by the Committee.
- e) Where the concerned officer/official of the distribution licensee or complainant (or its representative) fails to appear before the Committee on the date fixed for hearing on more than two occasions, the Committee may decide the grievance ex-parte.

Sd/-
(S.S.Sarna)
Member

Sd/-
(D.S. Bains)
Chairman

Chandigarh
Date: 10.08.2016