**BEFORETHE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION,**

**LUCKNOW**

**Quorum**

Shri Desh Deepak Verma, Chairman

Shri S. K. Agarwal, Member

**IN THE MATTER OF:**

**Suo-Moto Proceedings for Implementation for Pre-paid Metering**

**And**

**IN THE MATTER OF:**

1. Uttar Pradesh Power Corporation Limited (UPPCL), Shakti Bhawan, 14 – Ashok Marg, Lucknow.
2. MadhyanchalVidyutVitaran Nigam Ltd. (MVVNL), PragNarain Road, Lucknow.
3. PurvanchalVidyutVitaran Nigam Ltd. (PuVVNL), 132 KV S/s, BhikaripurVidyut Nagar, Varanasi.
4. PaschimanchalVidyutVitaran Nigam Ltd. (PVVNL), Victoria Park, Meerut.
5. DakshanchalVidyutVitaran Nigam Ltd. (DVVNL), VidyutBhawan, Gailana Road, Agra.
6. Kanpur Electricity Supply Company Ltd. (KESCo), KESA House, 14/71, Civil Lines, Kanpur.
7. Noida Power Company Ltd. (NPCL), Commercial Complex, H-Block, Alpha II Sector, Greater Noida City.

The following were present:

1. Shri R. K. Jain, Staff Officer, Chairman, UPPCL
2. Shri A. K. Arora, Resident Manager, NPCL
3. Shri Sunil Gupta, Manager, Secures Meters Ltd.
4. Shri Gaurav Srivastava, Manager- Marketing, Secure Meters Ltd.
5. Shri Avadhesh Kumar Verma, Chairman, UPRVUP

**ORDER**

**(Hearing 31.05.2017)**

The Commission in its Order dated July 07, 2016 in the matter of SuoMoto proceeding for implementation of prepaid metering has given the following targets:

| Name of Licensee | No. of meters |
| --- | --- |
| PVVNL | 15000 |
| PuVVNL | 10000 |
| DVVNL | 10000 |
| MVVNL | 10000 |
| KESCO | 5000 |
| NPCL | 5000 |

The Commission in its Order dated October 20, 2016 in the matter of Suo Moto proceeding for implementation of prepaid metering had directed HCL to complete the integration and testing process and ensure that the consumer should have the facility to recharge though internet in all the Discoms.

The Commission in its Order datedNovember30, 2016 in the matter of Suo Moto proceeding for implementation of prepaid metering showed its displeasure on delay in integration to facilitate on line token generation. Further, on slow progress, non-compliance of Commission’s Order and non-cooperation in the integration process, the Commission also directed that if the on line token generation process is not completed by HCL in next 30 day time the penalty of Rs- 1 lac may be imposed on HCL.

The Commission in its Order dated May 15, 2017 in the matter of Suo Moto proceeding for implementation of prepaid metering directed Secretary, UPERC to immediately issue notice to Managing Director, HCL to appear personally or through a senior officer and explain the reasons for extraordinary delay of nearly 12 months in integration to facilitate online token generation and recharge and why a penalty of Rs. 1 Lacs shall not be imposed on HCL for this extraordinary delay. The Commission further directed UPPCL that the integration must be completed before May 31, 2017 and it must be ensured that no prepaid connection is given manually and all connections are given online. Further the UPPCL was directed to ensure that by the end ofMay 31, 2017 all prepaid connection are migrated from offline to online and also the provision of giving rebate of 1.25% is incorporated in the meter software.

During the hearing on May 31, 2017, The Commission in view of its previous Orders on implementation of prepaid metering, asked the Distribution Companies & HCL about the status of the compliance. Shri R. K. Jain from UPPCL submitted that over 7000 consumers have been migrated to online system and due to some technical issues online recharge facility could not be available from May 31, 2017 but it will now be available from June 1, 2017 onwards.

HCL in the matter of slow progress and issuance of show cause notice regarding penalty has made the following submissions:

Reasons for delay in Offline to Online Migration:

It is submitted that for the first time they got the requirement pertaining to pre-paid metering in February’ 2015 and the said requirement of pre-paid metering was without any detailed scope and design document. The document was made available to HCL in the month of July 2015 and they offered the final solution to UPPCL on December 14, 2015. However, UPPCL granted approval on January 20, 2016, where after it was taken on the production on January 23, 2016 and the system was integrated with secure prepaid meter.

It is further submitted that as per original requirements enlisted in the RFP pertaining to prepaid metering, migration of backend customer data was not even part of the scope. The requirement of migration activity cropped up due to issuance of prepaid connection by UPPCL offline which resulted in huge backlog of customer data. The huge data for which UPPCL has been unduly insisting HCL to migrate on prepaid metering tool for which the facility was already available to UPPCL ever since its integration on January 23, 2016. Nevertheless, in the overall interest of the prestigious project, HCL agreed for the said migration activity of backend data, despite not being part of RFP. It also must be noted that till May 20, 2017, HCL was not been provided with technically feasible data despite the persistent follow up with UPPCL. The data was finally provided on April 29, 2017 and UPPCL vide email dated May 6, 2017 gave instructions to immediately stop the same realising the data supplied being defective and incomplete and promised that the revised & correct data shall be given by May 13, 2017. However, the data was not provided on promised date despite regular follow up by HCL. The data was finally received on May 17, 2017. It has revealed that the same was again unfit for migration for various technical reasons. These concerns were brought up to the notice of UPPCL vide letter dated May 20, 2017 and same was solved by UPPCL by late evening of May 20, 2017.

Reasons for delay in online recharge of the prepaid meter:

The integration was on RNSP protocol which is outside of UPCL/ HCL network. The integration was based on RNSP protocol which is not the industry slandered (Like Restful, SOAP) and it was totally new for HCL. So it could have taken a little bit more time in understanding and development.

Further, Payment Integration, handling the token generation, syncing with secure process because of issue with date format and cancellation of token were the key issue behind the delay in online recharge of prepaid meters. An external agency was on-board on 31stDec’2016. UPPCL provided the required banner for integration testing on 1st May 2017 which was tested and demonstrated to Commission on 2nd May’2017. However, the finalized version of banner for UPPCL (Secure meters/ ITZ cash) for integration with UPPCL website is still awaited. The same has been communicated to UPPCL on 9th, 11th, 13th& 17th May’ 2017. It is assured that that the post receipt of banner, the integration activity can be completed within 3 days.

Further, HCL has put their best endeavours to complete the necessary activities, especially migration of data, which is not even part of RFP. Further, the non-completion of the same is not intentional but due to reasons attributable to UPPCL and circumstances beyond the control of HCL.

In view of the above, it is humbly requested to withdraw the directions w.r.t. issuance of show cause notice, seeking explanation for not imposing penalty on HCL.

Progress of installation of the Pre-paid meters as submitted by Discoms is as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name of Discom** | **Prepaid Meters Installation Targets** | **Prepaid Meter Installed till June 03, 2017** | | |
| **Single Phase prepaid Meters** | **Three Phase prepaid meters** | **Total prepaid meters** |
| PVVNL | 15000 | 3749 | 345 | 4094 |
| PuVVNL | 10000 | 2037 | 571 | 2608 |
| DVVNL | 10000 | 755 | 131 | 886 |
| MVVNL | 10000 | 3043 | 199 | 3242 |
| KESCO | 5000 | 2446 | 174 | 2620 |
| NPCL | 5000 | - |  | 319 |

In view of above, the Commission directed the Discoms to submit the category/ sub-category wise details of installation of prepaid meters from the next time.

It is further directed that prepaid meters must be installed at all the Telecom Towers under all the Discoms as installation of prepaid meter will insure advance payment to the Discoms and also reduce billing complaints, It will make the process smoother for the Discoms as well as for the consumers. Further, all Discoms are directed to intimate to all Telecom Tower in their licensed area that online recharge facility in now available so that interested consumer may apply for installation of prepaid meters on their towers.

It is further directed that Discoms must install prepaid meters in all Govt. colonies and on the premises of scattered consumers like: petrol pumps where MBC cost is relatively higher.

Further, the Commission has shown its extreme displeasure over the non-appearance of representative of DVVNL, PuVVNL& PVVNL. It is directed that all the licensee should be present from the next hearing otherwise stringent action would be taken against them.

Further, on the basis of pleas of HCL, the Commission is satisfied with the response of HCL and decide not to impose a penalty of Rs. 1 Lakh.

List on 06.07.2017 at 11:30 hrs

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| --- | --- |
| **(S. K. Agarwal)** | **(Desh Deepak Verma)** |
| **Member** | **Chairman** |

Place: Lucknow

Date: 16.06.2017