



FORUM OF REGULATORS (FOR)

**Model Regulations for Protection of Consumer Interest
(Consumer Grievance Redressal Forum, Ombudsman
and Consumer Advocacy Regulations)**

Report on Model Regulations

February, 2011

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ABBREVIATIONS

APERC	Andhra Pradesh Electricity Regulatory Commission
APTEL	Appellate Tribunal for Electricity
ARR	Aggregate Revenue Requirement
CEO	Chief Executive Officer
CGRF	Consumer Grievance Redressal Forum
CRIS	CRISIL Risk & Infrastructure Solutions Limited
CSERC	Chhattisgarh Electricity Regulatory Commission
DERC	Delhi Electricity Regulatory Commission
EHT	Extra High Tension
FOR	Forum of Regulators
GERC	Gujarat Electricity Regulatory Commission
Gol	Government of India
HPERC	Himachal Pradesh Electricity Regulatory Commission
IGR	Internal Grievance Redressal
IIT	Indian Institute of Technology
MERC	Maharashtra Electricity Regulatory Commission
NEP	National Electricity Policy
NGO	Non Governmental Organization
PSERC	Punjab State Electricity Regulatory Commission
RERC	Rajasthan Electricity Regulatory Commission
SERC	State Electricity Regulatory Commission
SoP	Standards of Performance
TOR	Terms of Reference
UERC	Uttarakhand Electricity Regulatory Commission

1 BACKGROUND

1.1 Forum of Regulators (FOR)

The Forum of Regulators (FOR) has been constituted by the Government of India under the terms of Section 166 (2) of the Electricity Act, 2003 (**“the Act”**). The Forum consists of the chairperson of the Central Commission and the chairpersons of the State Commissions. The Chairperson of the Central Commission is the Chairperson of the Forum of Regulators; secretarial assistance to the Forum is provided by the Central Commission. The Forum is responsible for harmonizing, coordinating, and ensuring uniformity of approach amongst the Electricity Regulatory Commissions across the country, in order to achieve greater regulatory certainty in the electricity sector.

FOR has been taking steps towards ensuring that the provisions in the Electricity Act, Policies and Rules, i.e., the National Electricity Policy (NEP) and Electricity Rules 2005 are well-implemented.

1.2 Background of the Assignment

The Electricity Act, 2003 makes elaborate provisions which seek to protect the interests of consumers. The National Electricity Policy and the Tariff Policy framed under the Act reinforce its provisions. They stipulate a road map and action plan for various stakeholders in ensuring protection of consumers' interests. In line with these regulatory provisions, the State Electricity Regulatory Commissions (SERC) of several states have notified regulations for redressal of consumer grievances. Further, the states have institutionalized the mechanisms of grievance redressal, such as the Consumer Grievance Redressal Forum (CGRF) and the Ombudsman. Performance standards have also been specified delineating, inter alia, the requirements on quality of supply and service. A consumer advocacy system has been institutionalized in some states to educate consumers about their rights and obligations.

The FOR has been deliberating on issues specific to the protection of consumers' interests on a regular basis. The FOR recognizes the need to review the steps taken in various states and to bring about more clarity on various issues so as to evolve consensus and uniformity of approach in handling consumer-related issues. A report of the Working Group of the FOR has found that some provisions of the Act, especially those relating to CGRF and the Ombudsman, are being interpreted differently by different states.

With a view to bring about uniformity in approach towards the issues of consumer protection across states and reduce discrimination between consumers of different states, FOR has decided to engage CRISIL Risk & Infrastructure Solutions Limited (CRIS) to evolve Model Regulations for Protection of Consumer interest under Sections 42(5) and (6) of the Electricity Act, 2003.

1.3 Submission of Report on Model Regulations by CRIS

The objective of this report (“Report on Model Regulations for Protection of Consumer Interest”) is to discuss in detail the approach used to design the Model Regulations for Protection of Consumer Interest. The Model Regulations include provisions related to the process of grievance redressal by the Forum and the Ombudsman as well as provisions pertaining to consumer advocacy. These regulations have been designed by CRIS, based on a comparative study of the regulations of nine states, recommendations of FOR (listed in APPENDIX I) and incorporation of judgements of APTEL and other judicial bodies wherever relevant. Various comments and suggestions were received by CRIS on the Inception Report (submitted on 9th August, 2010) and Draft Report (submitted on 27th November, 2010) which have been incorporated in this report (Final Report). The report is divided into the following sections:

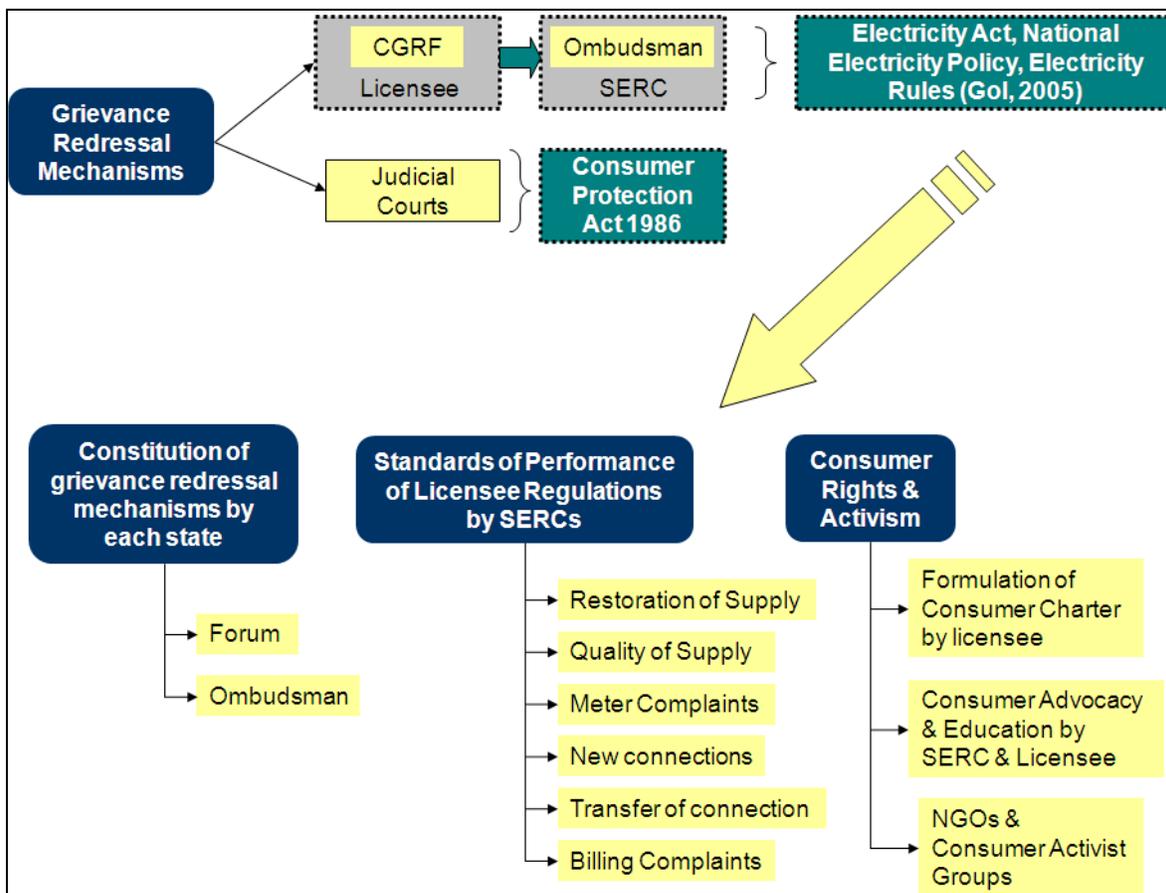
1. Background of the Assignment
2. Present assessment of Consumer Protection in India
3. Approach for Designing Model Regulations
 - a. Constitution & Operationalization
 - i. Forum
 - ii. Ombudsman
 - b. Grievance Handling & Redressal
 - i. Forum
 - ii. Ombudsman

2 ASSESSMENT OF CONSUMER PROTECTION IN INDIA

2.1 Key elements of Consumer Protection in India

Several mechanisms are available to the consumer for redressal of grievances related to electricity supply and service under the various legislations of the country. Foremost amongst these are the Consumer Grievance Redressal Forum (“**CGRF**” or “**Forum**”) and the Ombudsman which have been established under the Electricity Act, 2003 (the “**Act**”) and other rules and regulations drafted based on the Act (collectively referred to as “**Grievance Redressal Regulations**”). These Grievance Redressal Regulations provide for the establishment of redressal mechanisms of the Forum and the Ombudsman in each state; notification of Standards of Performance for the distribution licensee by the SERC of each state,¹ and aspects related to consumer rights and activism. Apart from the mechanisms established under the various Grievance Redressal Regulations, the consumer’s rights under the judicial law of the country are also protected. Thus, the consumer has the right to approach the High Court or Supreme Court for redressal of his/ her grievances under the Consumer Protection Act, 1986. An overview of all these above-mentioned elements is provided in the figure below.

¹ The Standards of Performance specify performance standards to be maintained by the distribution licensee while providing electricity supply and related service to the consumers. These also provide quantum of compensation in case of non-achievement of the performance standards by the licensee



2.2 Enabling regulatory framework

The Electricity Act, 2003 provides a comprehensive framework for the protection of consumer interests. Section 42 of the Act provides, inter alia, for the establishment of a CGRF by the distribution licensee for settling the grievances of consumers. It also provides for a channel of appeal in the form of the Ombudsman for settling non-redressal of grievances at the stage of CGRF. Further, it empowers the SERC to specify guidelines for the establishment of CGRF and also to appoint the Ombudsman and specify the process of grievance redressal to be followed by the Ombudsman.

“Section 42. (Duties of distribution licensee and open access): --- (1)

(2)

(5) *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.*

(6) Any consumer, who is aggrieved by non-redressal of his grievances under sub-section (5), may make a representation for the redressal of his grievance to an authority to be known as Ombudsman to be appointed or designated by the State Commission.

(7) The Ombudsman shall settle the grievance of the consumer within such time and in such manner as may be specified by the State Commission.

(8) The provisions of sub-sections (5), (6) and (7) shall be without prejudice to right which the consumer may have apart from the rights conferred upon him by those sub-sections.”

The **Government of India (GoI)** has also framed rules detailing the provisions of the CGRF and the Ombudsman. These rules specify membership of the CGRF and empower the SERC to specify the process of appointing members and their minimum qualifications along with the process of redressal of grievance by the CGRF. Further, these rules describe the appointment of the Ombudsman, the process of grievance redressal, and the reporting of requirements for the Ombudsman. The relevant rules (Rule 7 of the Electricity Rules, 2005 (as amended)) are quoted below:

“Rule-7. Consumer Grievance Redressal Forum and Ombudsman

(1) The distribution licensee shall establish a Forum for Redressal of Grievances of Consumers under sub-section (5) of section 42 which shall consist of officers of the licensee. The Appropriate Commission shall nominate one independent member who is familiar with the consumer affairs.

Provided that the manner of appointment and the qualification and experience of the persons to be appointed as member of the Forum and the procedure of dealing with the grievances of the consumers by the Forum and other similar matters would be as per the guidelines specified by the State Commission.

(2) The Ombudsman to be appointed or designated by the State Commission under sub-section (6) of section 42 of the Act shall be such person as the State Commission may decide from time to time.

(3) The Ombudsman shall consider the representations of the consumers consistent with the provisions of the Act, the Rules and Regulations made hereunder or general orders or directions given by the Appropriate Government or the Appropriate Commission in this regard before settling their grievances.

(4) (a) The Ombudsman shall prepare a report on a six monthly basis giving details of the nature of the grievances of the consumer dealt by the Ombudsman, the response of the licensees in the redressal of the grievances and the opinion of the Ombudsman on the licensee’s compliance of the standards of performance as specified by the Commission under section 57 of the Act during the preceding six months.

(b) The report under sub-clause (a) above shall be forwarded to the State Commission and the State Government within 45 days after the end of the relevant period of six months.”

The **National Electricity Policy** further reiterates the role of SERCs in setting up the mechanisms of CGRF and the Ombudsman:

“Para 5.13 Protection of consumers’ interests and quality standards

5.13.1

5.13.2

5.13.3 *It is advised that all State Commissions should formulate the guidelines regarding setting up of grievance redressal forum by the licensees as also the regulations regarding the ombudsman and also appoint/designate the ombudsman within six months”.*

3 DESIGNING MODEL REGULATIONS

3.1 Introduction

Clause 5.13.3 of the **National Electricity Policy** advises **State Electricity Regulatory Commissions to notify guidelines/ regulations for the establishment of the Forum and the Ombudsman**. Most of the states have drafted regulations regarding the setting up of CGRF and the Ombudsman and the process of grievance redressal to be followed. These regulations, among other aspects, primarily provide for the following:

1. Guidelines for constitution and operationalization of CGRF/ Ombudsman
2. Grievance submission process to be followed by consumer
3. Grievance handling and redressal process
4. Reporting requirements

Various states have drafted these regulations at different points of time after the notification of the Electricity Act. Further, some states (notably Rajasthan) have invited public comments/suggestions and accordingly modified their regulations based on actual public experience. Consequently, we can draw significant lessons by comparing regulations drafted by various states. CRISIL has thus carried out a detailed comparative study of regulations (alternatively referred to as “**Survey of Regulations**”) drafted by nine states, namely Andhra Pradesh, Delhi, Maharashtra, Rajasthan, Gujarat, Himachal Pradesh, Uttarakhand, Punjab and Chhattisgarh (these states have been chosen based on FOR inputs). Based on this comparative study, Model Regulations have been drafted by incorporating the best practices followed by the various states.

3.2 Model Regulations for constitution and operationalization of Forum & Ombudsman

The constitution and operationalization of Forum/Ombudsman covers aspects such as the number of Forums/Ombudsmen, locations and sittings, staffing, compensation, and operating expenses. The following sections provide a detailed discussion on Model Regulations for the constitution and operationalization of a Forum/ Ombudsman. Please note that in the following sections:

1. Survey of Regulations means a comparative study of consumer grievance-related regulations of nine states, namely AP, Delhi, Maharashtra, Rajasthan, Gujarat, Himachal Pradesh, Uttarakhand, Punjab, and Chhattisgarh carried out by CRISIL (attached in APPENDIX IV).
2. The term ‘Complainant’ has been used as against ‘Consumer’ since even potential consumers (such as those who have applied for a new connection) may file a grievance against the Licensee.

3.2.1 Constitution and Operationalization of Forum

3.2.1.1 Number, Locations and Sitzings

Assessment of existing scenario: The Survey of Regulations reveals that most states allow as many numbers of Forums for each licensee as are required for resolving grievances efficiently within the time limit specified. Maharashtra has specified that the licensee may establish at least one Forum for each “distribution zone,” i.e., the area falling within the jurisdiction of a zonal office of the utility. Most states provide licensees the power to decide the number of Forums to be established and their jurisdiction (except Chhattisgarh and Uttarakhand which specify that the Commission should prescribe/ approve the number of Forums). Further, with respect to locations of Forum offices and sittings of the Forum, most states specify that the Forum office must be located at the licensee’s corporate headquarters or zonal headquarters. The sittings may be held at the Forum office or at any place within the area of the jurisdiction of the Forum. The locations and timings of sittings may be decided by the licensee. Regulations drafted by Uttarakhand recommend that sittings should be held **in each district** within the area of supply as may be decided by the Forum considering the number of grievances received, place from where received, proximity to Forum office, etc.

Recommended approach: It is recommended that multiple Forums be allowed to be set up by every licensee. The number of Forums in any area should be such that all grievances within that area are disposed of within the specified time-limits. The Forum should be able to hold enough number of sittings so that each Complainant is provided an opportunity for his/ her grievance to be heard within one week of submission of the grievance. Further, the licensee may be empowered to decide the number of Forums, their locations, and the frequency of their sittings.

Model Regulations

1. *In terms of subsection (5) of Section 42 of the Act, every distribution licensee shall, within six months, from the Appointed Date or of the date of grant of distribution license or date of formation of distribution licensee pursuant to a transfer scheme for re-organisation of a state electricity*

board, whichever is applicable, establish one or more Forum(s) for redressal of grievances of Complainants in accordance with these regulations.

2. The number of Forums, their locations and areas of jurisdiction may be decided by the licensee.

Explanation - Multiple Forums may be established in each revenue district which is an urban area whereas a single Forum may be established for two revenue districts which are rural areas.

3. While deciding the number of Forums, the licensee shall ensure that adequate numbers of Forums are established such that members of a Forum are able to conduct at least one sitting each week and all grievances are redressed within the time-limit specified under these Regulations. The forum shall ensure that it considers all the matters it receives through letters especially with respect to grievances related to non-supply, connection and disconnection even if it receives them through letters. The Forum shall also decide the location for the hearings when there is a single forum for two revenue districts. This shall ensure the timely settlement of the grievances related to non-supply, connection and disconnection.
4. In order to ensure that all grievances are disposed of within the specified time-limit, the Commission may, from time to time, require the licensee to increase the number of Forums.

3.2.1.2 Appointment and removal of members

Assessment of existing scenario: Most states provide for a three-member Forum. Punjab has further specified that the number of members be restricted to one in the case of licensees with up to one lakh consumers. The licensee is allowed to select two members (including the chairperson) while the third is nominated by the Commission. The table below provides a snapshot of the minimum qualifications and experience commonly prescribed by states for a person to be selected as a member of a Forum.

Member 1: Chairperson			
Options	1. Serving Licensee Officer	2. Judicial	3. General
Qualification	Degree in Electrical Engineering	-	-
Experience	i) 20 years as a Superintendent Engineer or any post above it in electricity distribution OR	i) Retired District Judge or Additional District Judge or Retired Judicial Officer with	i) Retired senior judicial officer OR ii) a retired civil servant not below rank of a Collector OR iii) a retired

	ii) 20 years as a Chief Engineer or equivalent in an organization involved in Generation, Transmission, Distribution & Trading of Electricity	minimum 20 years experience in legal/ judicial profession OR ii) Retired Civil Servant not below rank of District Collector	Principal of a reputed Engineering college OR iv) a retired Professor of the Electrical Engineering Department of a reputed institute OR v) a retired senior electrical engineer of the Government
SERCs	AP, Delhi, HP, Punjab, Chhattisgarh	Uttarakhand	Maharashtra
Member 2 (Technical/ Finance)			
Options	1. Serving Licensee Officer: Accounts/ Finance/ Legal	2. Electricity utility experience	3. Legal
Qualification	-	Degree in Engineering / Finance/ Commerce/ Economics/ Law/ Management	Degree in Law
Experience	i) 10 years in Accounts at Senior Accounts Officer or above post OR ii) 10 years in Finance as Deputy Director or above post OR iii) 5 years in Legal matters at Assistant Secretary or above post or 10 years as Senior Law Officer or above post	i) 20 years as Superintendent Engineer or equivalent in Generation, Transmission, Distribution or Trading OR ii) Executive Engineer or equivalent in distribution and supply of electricity	10 years experience in Legal matters
SERCs	AP, Punjab, Chattisgadhd	Maharashtra, HP	Gujarat, Delhi
Member 3: Consumer Affairs expert (Nominated by Commission)			
Nature of experience	i) Representative of registered society/ NGO/ Consumer organization involved in Consumer Protection OR ii) Self involvement in consumer related matters		

Duration of Experience	5 years
Restriction	Not employed by the licensee or any of its agency 3 years prior to appointment
SERCs	Delhi, Chattisgarh, Maharashtra

Further, in terms of age limits for the appointment or holding of office of members and their tenure of appointment, the following table provides a snapshot of the same.

Condition for holding office (years)	Superannuation age/ age of 65 years/ age of 67 years/ till the member is employed with licensee (applicable for Member 1 & 2)
Tenure (years)	2 to 3 years
Reappointment allowed (only one)?	Delhi, Maharashtra, Uttarakhand
Reappointment not allowed?	AP, Gujarat, HP

Recommended approach: It is recommended that a three-member Forum be provided for with Member 1 as Chairperson, who has judicial, administrative or technical experience, Member 2 as a Technical/ Finance member and a serving officer of the licensee, and Member 3 as an Independent Member with experience in matters related to consumer affairs. An odd number of members is recommended to reduce chances of a deadlock while making decisions. Multiple eligibility options have been provided for the Chairperson in order to ensure enough number of eligible candidates who can be shortlisted for the post. A Technical/ Finance Member has to be a serving officer of the licensee with technical or financial experience since that will help bring in relevant technical/ financial expertise and familiarity with the way of functioning of the licensee. The Independent Member, being an expert in consumer matters, shall help bring in the required independence and experience of dealing with consumer-related issues.

Further, the Chairperson and Technical/ Finance Member may be appointed by the licensee while the Independent Member shall be appointed by the Commission. In this regard, Rule 7 of the Electricity Rules, 2005 states that the distribution licensee should establish the Forum which should consist of officers of the licensee. Further, our survey of regulations reveals that seven out of nine states provide for selection of Chairperson by the licensee without taking approval of the Commission. Hence, it is recommended that the licensee be allowed to select two members of the Forum.

Model Regulations

1. *Each Forum shall consist of three members: Chairperson, Technical/ Finance Member, and Independent Member. The Chairperson and Technical/ Finance Member shall be appointed by the licensee; the Independent Member shall be appointed by the Commission.*

2. *The Forum shall provide details regarding appointment of the Chairperson and Technical/ Finance Member to the Commission within one week of appointing them.*

3. *The members to be selected shall meet the following criteria:*

a. *Chairperson: The person should be a retired Judicial Officer or a retired Deputy Collector or a retired Superintending Engineer of a Distribution Licensee, with minimum 10 years of experience.*

Provided that, a Superintending Engineer of a Distribution Licensee applying for the post of Chairperson of the Forum shall not have been in the employment in any capacity under, or agency of, the Distribution Licensee for a minimum period of three (3) years prior to being appointed as Chairperson of the Forum.

b. *Technical/ Finance Member: The person should be a serving officer of the licensee, not below the rank of an Executive Engineer or equivalent, with at least 10 years of experience in electricity supply and distribution or accounts or finance.*

c. *Independent Member: The person shall be a representative of a registered society/ NGO/ consumer organization having one of its main objectives as consumer protection with at least 5 years of standing or alternatively the representing member should have five years of experience in consumer-related matters.*

Provided that, a person applying for the post of Independent Member of the Forum shall not have been in the employment in any capacity under, or agency of, the Distribution Licensee for a minimum period of three (3) years prior to being appointed Independent Member of the Forum.

4. *Every member of the Forum shall hold office for a fixed term of 3 (three) years. The tenure of a member may be extended by the licensee for a further period not exceeding 2 (two) years*

5. *The age-limit for occupying the post for Chairperson and Independent Member shall be 65 years.*

6. *The members of the Forum shall be persons of experience, ability, integrity and standing*

7. *All three members shall work full-time.*

8. *No person shall be appointed and/or be entitled to continue as a member if he/ she stands disqualified on account of his/ her:*

a. *having been adjudged an insolvent;*

b. *having been convicted of an offence which, in the opinion of the licensee, involves moral turpitude;*

c. *having become physically or mentally incapable of acting as such member;*

- d. *having acquired such financial or other interest as is likely to affect prejudicially his/ her functions as a member;*
 - e. *having so abused his/ her position as to render his/ her continuance in office prejudicial to public interest; or*
 - f. *having been guilty of proved misbehaviour.*
9. *An existing member shall be liable to be removed from his office forthwith on account of any of the aforesaid disqualifications arising or being discovered.*

Provided that no member shall be removed from his/ her office on any ground specified in the aforesaid sub-clauses unless the licensee has held an independent inquiry in accordance with such procedure as directed by the Commission.

10. *The licensee shall ensure that no post of a member in the Forum remains vacant for a period exceeding 30 (thirty) days.*

3.2.1.3 Remuneration and other expenses

Assessment of existing scenario: Most states allow the licensee to decide the remunerations and other allowances to be paid to the Forum members. Generally, it is specified that in case members are serving officers of the licensee, the remuneration and other terms of office shall not be varied to the disadvantage of the member after his/ her appointment. All operating expenses of the Forum have to be borne by the licensee but can be recovered from consumers through the licensee's Aggregate Revenue Requirement.

Recommended approach: Since the Chairperson and Technical/ Finance Member are appointed by the licensee and the Independent Member by the Commission, it is recommended that the remuneration and allowances be decided by the respective selecting entities. This is in consonance with the FOR recommendations which provide that the Chairperson is an 'officer' of the licensee, and not necessarily 'serving'. Further, all expenses of the Forum may be met by the licensee since it is a body constituted within the licensee.

Model Regulations

1. *The sitting fees, honorarium and/ or other allowances (collectively "Remuneration") payable to the Chairperson and the Technical/ Finance Member shall be decided by the licensee. The Remuneration for the Independent Member shall be decided by the Commission.*
2. *The terms and conditions of service of a member of the Forum who is in the employment of the licensee shall be governed by the terms and conditions of his/ her employment with such a*

licensee. Thus, the Technical/ Finance Member shall continue to draw the same salary as he/ she is entitled to as a regular employee of the licensee.

3. The office space, secretarial support and other facilities required for smooth functioning of the Forum shall be provided by the licensee.
4. The licensee shall meet all the costs and expenses of the Forum including the cost of establishment and staff required to assist the Forum in the discharge of its functions under these Regulations. The expenditure on the Forum(s) will be considered in the revenue requirement of the licensee and will be allowed as a pass through expense.

3.2.1.4 General provisions

Model Regulations

1. The quorum for any meeting or proceedings of the Forum shall be two and each member shall have one vote. In case of equality of votes on any issue, the Chairperson, or in his absence the person presiding, shall have the second or casting vote.
2. The Chairperson shall have general powers of superintendence and control over the Forum.
3. All decisions of the Forum shall, as far as possible, be unanimous or be on the basis of decision by majority of the members present.
4. No act or proceeding of the Forum shall be deemed to be invalid by reason only of some defect in the constitution of the Forum or by reason of the existence of a vacancy among its members.
5. The Forum shall comply with such general directions as the Commission may issue from time to time in the interest of more efficient and effective redressal of grievances in a timely and expeditious manner.
6. The licensee shall from time to time give due publicity about the Forum and its charter through advertisement in widely circulated local newspapers and in such other manner as it considers appropriate and as the Commission may direct, from time to time. The names of the members of the Forum, their addresses and phone numbers shall be displayed prominently at all the offices of the licensee which has interface with consumers and shall also be duly published, including on the electricity bills raised on the consumers.

3.2.1.5 Reporting requirements

Assessment of existing scenario: Most states require the Forum to submit reports to the Commission on a quarterly basis.

Recommended approach: It is recommended that quarterly and annual reporting requirements are specified for the Forum. Further, these reports should also be submitted to the Ombudsman for his/ her information. The quarterly report shall help the Commission to review the progress of grievance redressal whereas the Annual Report shall provide an overview of activities and plans for the future.

Model Regulations

1. *The Forum shall submit a quarterly report on disposal of grievances to the licensee, Commission and Ombudsman. The report should be submitted within 15 days of close of the quarter to which it relates.*
2. *The quarterly report should be submitted in accordance with the format as specified in the Annexure*
3. *The Forum shall also furnish a yearly report containing a general review of activities of the Forum during the financial year to the licensee, Commission and Ombudsman. The report should be submitted within 45 days of close of the financial year to which it relates.*

3.2.2 Constitution and Operationalization of Ombudsman

3.2.2.1 Qualification, terms of appointment and removal of Ombudsman

Assessment of existing scenario: The following table describes the minimum eligibility criteria for a person to be selected as an Ombudsman, as commonly specified by various states.

Option 1: Industry experience-based criteria	Option 2: Position-based criteria
Experience of more than 20 years in Legal, Engineering, Finance, Commerce, Education, Management, Civil Service or Consumer Affairs	Retired Judge of High Court/ District Court or qualified to be appointed as one, Retired Secretary to Government, Retired CEO/ MD/ Chairman of electricity sector utility, Member of any regulatory body for a full term

In terms of minimum age criteria and tenure of the Ombudsman, most states specify the age limit for holding the office of the Ombudsman as between 65 to 70 years. A term of three years is provided with one reappointment possible. Further, Delhi and Chhattisgarh do not allow a person to be appointed if he/

she has served as an employee of the licensee at any time in the two (two) years prior to the appointment. In terms of deciding remuneration and allowances for the Ombudsman, most states provide powers to the Commission in this regard.

Recommended approach: In terms of minimum eligibility criteria, a position-based criterion is recommended in line with that of the chairperson of the Forum. A person of eminence may be selected for the post as practiced by most states. Further, in terms of remuneration and allowances, it is recommended that they be similar to those drawn by a member of a regulatory commission of the electricity sector².

Model Regulations

1. *In accordance with subsection (6) of Section 42 of the Act, the Commission may, from time to time, appoint or designate a person as the Ombudsman to discharge the functions in accordance with subsection (7) of Section 42 of the Act.*
2. *The Commission may appoint or designate more than one Ombudsman for a licensee or a common Ombudsman or Ombudsmen for two or more licensees considering factors such as the number of representations received, disposal of representations within the specified time limit, ease of access for the consumer and the geographical area.*
3. *The Commission shall invite applications through public advertisement for the appointment of the Ombudsman. The Commission shall also form a search committee for recommending names for the appointment of the Ombudsman by the Commission.*
4. *The Ombudsman shall be a person of experience, ability, integrity and standing*
5. *The following category of persons shall be eligible to be appointed as Ombudsman:*
 - a. *A retired District Judge; or*
 - b. *Retired Secretary to State Government; or*
 - c. *Any person who has held the position of Member or Chairperson of any statutory quasi-judicial body at the state level for at least three years; or*
 - d. *Any other person of equivalent level.*
6. *The Ombudsman shall hold office for a fixed term of 3 (three) years. The tenure may be extended for a further period not exceeding 2 (two) years*
7. *The age-limit for occupying the office of Ombudsman shall be 65 years*

² This has been recommended considering that one of the regulatory commissions (Uttarakhand) has allowed a person who has been member for full term of a regulatory body to apply for the post of Ombudsman. Further, the quantum of work and responsibilities of an Ombudsman may be considered to be similar to that of a Member of a Regulatory Commission

8. *The pay scale and other allowances of the Ombudsman shall be decided by the Commission.*
9. *The Commission shall have the powers to remove the Ombudsman from office only if he/she:*
 - a. *has been adjudged an insolvent;*
 - b. *has been convicted of an offence which, in the opinion of the Commission, involves moral turpitude;*
 - c. *has become physically or mentally incapable of acting as an Ombudsman;*
 - d. *has acquired such financial or other interest as is likely to affect prejudicially his/ her functions as an Ombudsman;*
 - e. *has abused his/ her position so as to render his/ her continuance in office prejudicial to public interest; or*
 - f. *has been guilty of proven misbehaviour*

Provided that the Ombudsman shall not be removed from his/ her office on any ground specified in the aforesaid sub-clauses unless the Commission has, on an inquiry, concluded that the person ought, on such ground or grounds, be removed.

3.2.2.2 Office of the Ombudsman

Assessment of existing scenario: A survey of the Regulations reveals that most states provide for a Secretariat office to the Ombudsman for managing day-to-day activities. All expenses related to the Ombudsman's office including that of the Secretariat are usually borne by the licensee; these can be recovered from consumers through ARR.

Recommended approach: The Model Regulations have been designed considering the most common provisions drafted by various states.

Model Regulations

1. *The Ombudsman's office/ offices shall be preferably located at the capital city of the state or any district headquarters as the case may be. However, the Ombudsman may hold hearings or proceedings at various places within the state in order to expedite disposal of representations received before him/ her*
2. *The post of Ombudsman shall be a full-time post*
3. *The Commission shall provide the Ombudsman with a Secretariat. The staff strength of the said Secretariat and terms and conditions of appointment of the staff shall be determined by the Commission from time to time*

4. *All expenses of the Ombudsman's office including that of the Secretariat shall be borne by the Commission which can recover such expenses from the licensees in proportion to their latest approved net ARR. At the start of every quarter, the Commission shall present an estimated bill of expenses to each licensee. The licensee shall make the payment to the Commission within 15 (fifteen) days of receipt of such bill. The actual expense shall be adjusted while approving the ARR of the licensee and the licensee shall be allowed to recover such actual expense as pass through in the determination of tariffs.*
5. *The name, location, email address and telephone numbers of the Ombudsmen shall be widely publicised through newspapers, and displayed on the websites and the offices of the licensees and the Commission and intimated to consumers through electricity bills. They may also be publicised through radio and television.*

3.2.2.3 Reporting Requirements

Assessment of existing scenario: Most states specify that the Ombudsman should submit a half-yearly report.

Recommended approach: Since the turnover of representations is lower in the case of the Ombudsman than the turnover of grievances in the Forum, it is recommended that half-yearly reporting be followed as against quarterly reporting in the case of the Forum. In addition, a yearly report covering an overview of activities conducted and future plans may also be submitted to the Commission.

Model Regulations

1. *The Ombudsman shall submit to the Commission a half-yearly report on all the representations filed before it during the period. The report should be submitted within 30 days of close of the period to which it relates.*
2. *The report shall cover:*
 - a. *Facts of the representation*
 - b. *Responses of parties in brief*
 - c. *Opinion of Ombudsman on compliance of standards of performance by the licensee*
 - d. *Key Directions issued to licensee and/ or consumer in the order*
 - e. *Compliance of order by licensee and/ or consumer*
3. *The Ombudsman shall also furnish a yearly report containing a general review of the activities of the Ombudsman's office during the financial year to the State Commission and the State*

Government. The report should be submitted within 45 days of the close of the financial year to which it relates.

3.3 Model Regulations for grievance handling & redressal

The Grievance handling and redressal process covers the following broad steps followed by CGRF (alternatively referred to as the “**Forum**”) and Ombudsman:

1. Grievance handling:
 - a. Handling of grievances by Forum/ Ombudsman
 - b. Process for submission of grievance by consumer, along with the format for submission
 - c. Limitations/ pre-conditions on submission of grievance
2. Process of grievance redressal:
 - a. Investigation process
 - b. Issue of Order
 - c. Provision for escalation

3.3.1 Process at Forum (CGRF) level

3.3.1.1 Grievance handling

1. Presence of grievance handling mechanisms preceding the Forum

Assessment of existing scenario: Some of the states have provided for an internal grievance handling mechanism, in addition to the Forum, which deals with the Complainant’s grievances. Our survey of the Regulations reveals that states either compel or provide an option to the Complainant to approach such an internal mechanism before approaching the concerned Forum. While states like Delhi, Maharashtra and Punjab compel the Complainant, AP and Gujarat provide an option to the Complainant.

Recommended approach: It is necessary to ensure that the consumer who has a grievance should have the right to approach the Forum directly without any precondition of approaching a particular staff or other

committee set up by the licensee. Though the consumer should have the right to directly approach the Forum, the internal complaint-handling mechanism of the licensee should be retained in order to solve petty and routine complaints efficiently and amicably. The complaint-receiving centres established under such a mechanism may be also used as grievance collection centres in order to make the process of grievance submission easier for the Complainant (due to their highly localized presence).

Model Regulations

1. *For expeditious resolution of the complaints of a Complainant, any mechanism existing within the licensee, other than the Forum established under these Regulations, may be retained. The creation of the Forum shall not debar a Complainant from settling his/ her complaints through such internal mechanisms:*

Provided that the Complainant shall have the right to approach the Forum directly in respect of matters falling under jurisdiction of the Forum.

2. Classification/ prioritization of grievances

Assessment of existing scenario: In terms of classifying/ sorting/ prioritizing of grievances, it has been found that no state has provided for the same.

Recommended approach: It is recommended that grievances be prioritized based on their nature.

Model Regulations

1. *As far as is possible and practical, the grievances shall be prioritized for redressal based on the following priority order:*
 - a. *Non-supply*
 - b. *Connection*
 - c. *Disconnection of supply*
 - d. *Meter-related issues*
 - e. *Billing-related issues*
 - f. *Other issues*

Provided that, it should be ensured that all grievances are disposed of within the time limit specified under these Regulations.

3. Process for submission of grievance

Assessment of existing scenario: Our survey of Regulations has revealed that the process for submission of grievance is fairly standardized across states covering the sequential steps of registering the grievance and providing acknowledgement to the consumer. Except Maharashtra, states have not specified any particular format for the submission of grievance.

Recommended approach: As the process is fairly standardized, the sequential steps for the submission of grievance and provision of acknowledgement have been drafted considering Chhattisgarh as the base. The distinct role of the internal complaint-handling mechanism and the Forum has been taken into consideration while drafting the Model Regulations. A model format for submission of grievance has also been provided since a format eases the process of submitting a grievance for the Complainant as well as facilitates the processing of grievances for the Forum staff. Such a model format has been designed, considering the format specified by Maharashtra as the base.

Model Regulations

- 1. The Complainant can submit his/ her grievance to the appropriate Forum under whose jurisdiction his/ her connection exists or a connection has been applied for. The Complainant can also submit his/ her grievance at the nearest complaint-receiving centres, already established by the licensee. The grievance may be submitted either in person or through post, email or fax.*
- 2. All complaint receiving centres shall accept the grievances from Complainants falling within the jurisdiction of the Forum. The grievance so received along with other supporting documents shall be forwarded to the relevant Forum within the next working day.*
- 3. The grievance shall be submitted as per the format specified in the Annexure:

Provided that the Forum shall take cognizance of any grievance submitted based on the merit of the case and will not reject any grievance for the sole reason of it not having been submitted in the format specified.*
- 4. The Complainant shall be issued acknowledgement of the receipt of grievance. In case of submission of the grievance in person, the acknowledgment shall be issued immediately. In case of receipt of grievance by post, email or fax, the acknowledgment shall be despatched latest by next working day. In case of issuance of acknowledgment by a complaint receiving centre, the contact details of the relevant Forum shall also be issued along with the acknowledgment*

4. Limitations/ pre-conditions for submission of grievance

Assessment of existing scenario: As in the case of the process for submission of grievance, the limitations on submission of grievance are fairly standard across states. The Complainant is not allowed

to approach the Forum if:(i) the matter is pending before any other court, (ii) the matter is related to theft or unauthorized use of electricity, or (iii) the matter is frivolous.

Recommended approach: Our survey of Regulations has revealed that the regulations drafted by Maharashtra and Gujarat are fairly detailed and exhaustive in this case. Hence, these have been used as a base to draft the Model Regulations.

Model Regulations

The Forum may reject the grievance at any stage under the following circumstances:

1. *In cases where proceedings in respect of the same matter and between the same Complainant and the Licensee, are pending before any court, tribunal, arbitrator or any other authority, or a decree or award or a final order has already been passed by any such court, tribunal, arbitrator or authority; and*
2. *In cases which fall under the Sections 126, 127, 135 to 139, 152 and 161 of the Act.*
3. *In cases where the grievance has been submitted two years after the date on which the cause of action has arisen*
4. *Grievances which are:*
 - a. *frivolous, vexatious, malafide;*
 - b. *without any sufficient cause;*
 - c. *where there is no prima facie loss or damage or inconvenience caused to the Complainant or the consumers who are represented by an association or group of consumers.;*

Provided that no grievance shall be rejected in respect of sub clauses (a), (b) and (c) unless the Complainant has been given an opportunity of being heard.

3.3.1.2 Process of grievance redressal

1. Process

Assessment of existing scenario: The process of investigation broadly consists of the following steps:

1. Inviting comments from the concerned officer of licensee (“**concerned officer**”)

2. Obtaining records, conducting inspection, and holding discussions with the concerned officer
3. Seeking conciliatory resolution; if not successful, then conducting a hearing

The regulations drafted by Delhi and Maharashtra are fairly detailed and exhaustive in this regard. Specific provisions regarding inspection, especially third-party inspection (Gujarat, Chhattisgarh), and limitations on the adjournment of proceedings (Himachal Pradesh, Gujarat) drafted by other states are also noteworthy. Maharashtra further disallows an advocate to represent any party before the Forum.

Recommended approach: The Model Regulations have been drafted considering Delhi and Maharashtra as the base. Further, specific provisions from Gujarat, Chhattisgarh, and Himachal Pradesh have been incorporated. On the matter of representation before the Forum by an Advocate for any party, it has been provided that no party may be represented by an Advocate. This is in view of the FOR recommendation which states that the proceedings before the Forum are non-adversarial in nature. The Forum is an internal, self-correcting mechanism within the licensee to solve grievances amicably. Most complainants are not able to bear the expenses of Advocates. Hence to ensure fair play, even licensees should not be allowed to use the services of Advocates.

Model Regulations

1. *The Forum shall forward a copy of the grievance to the concerned officer of the Licensee or the employee / employees / department named in the grievance (“**respondent party**”)*
2. *The respondent party shall furnish paragraph-wise comments to the Forum on the grievance within five days (grievance related to non-supply, connection or disconnection of supply) or 15 days (all other grievances) of the receipt of the grievance copy, failing which the Forum shall proceed on the basis of the material available on record.*
3. *The Forum may call for any record from the respondent party or from the Complainant, as is relevant for examination and disposal of the grievance and both the parties shall be under obligation to provide such information, document or record as the Forum may call for. Where a party fails to furnish such information, document or record and the Forum is satisfied that the party in possession of the record is withholding it deliberately, it may draw an adverse inference.*
4. *The Forum may also direct the Licensee to undertake an inspection or engage a third party to undertake such inspection with regard to the Grievance, as may be required for expeditious redressal of the Grievance. The Forum can also engage a third party (other than the Licensee) at the instance and request of the Complainant, to undertake inspection and obtain an independent report. The Forum shall record the reasons for the need for such third party inspection, which should generally be resorted to rarely and keeping in view the special circumstances of a case. The expenses of such third party inspection, except expenses of inspection at the request of the*

Complainant, shall be borne by the Licensee, and to the extent reasonable and justifiable such expenses shall be allowed as pass through expense in the determination of tariff in accordance with the relevant Regulations of the Commission. In case, inspection is taken up at the request of the Complainant, the expenses shall be deposited in advance by him, which may or may not be refunded by the Forum depending on whether the grievance is found to be of substance or not.

- 5. The Forum may call the concerned officer of the Licensee for discussion in suitable cases, in order to seek redressal of the grievance filed before it. In case the matter is settled in discussion, it may be recorded as a decision and conveyed to the Complainant and the Licensee by order of the Forum.*
- 6. In case the Forum comes to the conclusion that the Complainant and the concerned officer of the Licensee are required to be heard for redressal of the grievance, the Forum shall call the Complainant and the concerned officer with the details of the case and documents, if any, as may be necessary.*
- 7. A Complainant, distribution licensee or any other person who is a party to any proceedings before the Forum may either appear in person or authorise any person other than an Advocate (within the meaning of the Advocates Act, 1961) to present his/ her case before the Forum and to do all or any of the acts for the purpose.*
- 8. Where the Complainant or the Licensee or their representative fails to appear before the Forum on the date fixed for hearing on more than two occasions, the Forum may decide the grievance ex-parte.*
- 9. No adjournment shall ordinarily be granted by the Forum unless sufficient cause is shown and the reasons for grant of adjournment have been recorded in writing by the Forum.*
- 10. The Forum shall be guided by the principles of natural justice, and subject to the other provisions of these regulations, the Forum shall have powers to regulate its own procedure.*

2. Issue of Order

Assessment of existing scenario: The process of issue of an Order broadly consists of the following steps:

1. Voting and decision-making by Forum members
2. Drafting a reasoned Order including specific directives to the licensee, if applicable
3. Communication of the Order to the concerned parties

4. Compliance by licensee, if applicable

The regulations drafted by Delhi and Maharashtra are fairly detailed and exhaustive in this regard. Specific provisions regarding communication between the Forum and the Ombudsman, as drafted by Chhattisgarh, are also noteworthy. These include provisions for extension of the compliance period for the licensee, and applicability of Section 142 of the Act in case of non-compliance.

Recommended approach: The Model Regulations have been drafted considering Delhi and Maharashtra as the base. Further, specific provisions from Chhattisgarh have been incorporated. On the matter of compensation under Standards of Performance (SoP) to be specified in the Order, as per FOR recommendations, the power to impose penalty under Section 57 rests only with the Commission. SoP is a standard for the licensee and the Forum, being an internal organ of the licensee, cannot impose any penalty on the licensee itself. Thus, compensation under SoP is not recommended to be a part of the Order passed by the Forum.

Model Regulations

1. *On receipt of the comments from the Licensee or otherwise and after conducting or having such inquiry or local inspection conducted as the Forum may consider necessary, and after affording reasonable opportunity of being heard to the parties, the Forum shall take a decision by a majority of votes of the members of the Forum present and in the event of equality of votes, the chairperson, or in his absence the person presiding, shall have a second or casting vote*
2. *If, after the completion of the proceedings, the Forum is satisfied after voting that any of the allegations contained in the grievance are correct, it shall issue an order to the Distribution Licensee directing it to do one or more of the following things in a time bound manner, namely-*
 - a. *to remove the cause of grievance in question;*
 - b. *to return to the Complainant the undue charges paid by the Complainant along with the interest. The interest rate may be fixed as the rate paid by the State Bank of India for a fixed deposit of duration nearest to the period for which the undue charges were withheld by the licensee; and*
 - c. *any other order deemed appropriate in the facts and circumstances of the case.*
3. *The proceedings and decisions of the Forum shall be recorded and shall be supported by reasons. The order shall be a reasoned order and signed by the members conducting the proceedings. Where the members differ on any point or points, the opinion of the majority shall be*

the Order of the Forum. The opinion of the minority shall however, be recorded and form part of the Order.

4. *In case of grievances related to non-supply, connection or disconnection of supply, the Forum shall pass the order within 15 days of filing of the grievance and in case of other grievances, the order shall be passed within 45 days of filing of the grievance:*

Provided also that in the event of grievance being disposed of after the maximum period specified above, the Forum should record in writing, the reasons for the same at the time of disposing of the said grievance and inform the Ombudsman

5. *The order of the Forum shall be communicated to the Complainant and Licensee in writing within three days. A certified copy of every order passed by the Forum shall be delivered to the parties*
6. *The Licensee shall comply with the order of the Forum within 21 days from the date of receipt of the order. In appropriate cases, considering nature of the case, the Forum, on the request of the Licensee, may extend the period for compliance of its order up to a maximum period of 3 months. Non-compliance of the order of the Forum shall be treated as violation of Regulations of the Commission and accordingly liable for action under section 142 of the Act.*
7. *The concerned officer of the Licensee shall furnish compliance report of the order of the Forum within seven days from the date of compliance, to the Forum and to the Complainant. The Forum shall keep record of the compliance of its orders and review the same every month. In case of non-compliance of its orders the Forum shall take up matter with the higher authorities of the licensee for compliance. If even after that the order is not complied with, the Forum shall inform the Commission regarding such non-compliance.*

3. Special provisions: Interim Order, Escalation mechanism

Assessment of existing scenario: Notwithstanding the powers of the Forum to issue a final Order, the Forum may issue certain special Orders. An interim Order may be issued by the Forum to provide interim relief to the Complainant, pending issue of the final Order. Further, the final Order itself may be subjected to a review based on certain conditionalities. The regulations also provide for conditions under which the grievance can be escalated to the Ombudsman.

Most of the states surveyed provided for an Interim Order (except Uttarakhand and Punjab). However, review of the Order is only provided by Chhattisgarh. In terms of the escalation mechanism, most of the states surveyed specify provisions for escalation of grievance to the Ombudsman.

Recommended approach: The provision for the Interim Order has been drafted based on Maharashtra's provisions as they are quite detailed and exhaustive. The review of the Order has not been provided since it is not judicious in view of the prescribed timelines for decision-making.

Model Regulations

1. *Upon request of the Complainant, the Forum may issue such interim orders pending final disposal of the grievance as it may consider necessary.*

Provided that the Forum shall have the powers to pass such interim order in any proceeding, hearing or matter before it, as it may consider appropriate if the Complainant satisfies the Forum that prima facie the Distribution Licensee has threatened or is likely to remove or disconnect the electricity connection, and has or is likely to contravene any of the provisions of the Act or any rules and regulations made thereunder or any order of the Commission, provided that, the Forum has jurisdiction on such matters.

Provided further that, except where it appears that the object of passing the interim order would be defeated by delay, no such interim order shall be passed unless the opposite party has been given an opportunity of being heard.

2. *A Complainant may prefer a representation before the Ombudsman appointed/ designated by the Commission under the following circumstances:*
 - a. *If the Complainant is aggrieved by the non-redressal of the grievance by the Forum within the period specified*
 - b. *If the Complainant is aggrieved with the order passed by the Forum*
3. *Such a representation may be made within a period of 30 days after grant of order by the Forum or expiration of 30 days after the time limit specified for issuance of the order, whichever is applicable*
4. *The Forum may settle any grievance in terms of an agreement reached between the parties at any stage of the proceedings before it and there shall be no right of representation before the Ombudsman against such order.*

3.3.2 Process at Ombudsman level

3.3.2.1 Grievance handling

1. Pre-conditions/ Limitations for entertaining Complainant's representation

Assessment of existing scenario: The provisions are fairly standard across states. They deal with the following pre-conditions on admittance of representations before the Ombudsman:

1. The matter is not pending in any court.
2. The Complainant has initially approached the Forum.
3. The Complainant has deposited a certain share of the amount assessed by the Forum.
4. The representation is not frivolous.

Recommended approach: The Model Regulations have been designed using Maharashtra as the base since its provisions are quite detailed and exhaustive.

Model Regulations

The representation may be entertained by the Ombudsman only if all of the following conditions are satisfied:

1. *It has been filed by the Complainant being the aggrieved consumer or the association representing the consumer/s. For avoidance of doubt, a licensee is not allowed to file a representation before the Ombudsman against the order of the Forum*
2. *The Complainant had, before making a representation to the Ombudsman approached the Forum constituted under Section 42(5) of the Electricity Act, 2003 for redressal of his/ her grievance*
3. *The representation by the Complainant, in respect of the same grievance, is not pending in any proceedings before any court, tribunal or arbitrator or any other authority, or a decree or award or a final order has not been passed by any such court, tribunal, arbitrator or authority*
4. *The representation is not in respect of the same cause of action which was settled or dealt with on merits by the Ombudsman in any previous proceedings whether or not received from the same complainant or along with one or more complainants or one or more of the parties concerned with the cause of action.*
5. *The Complainant is not satisfied with the redressal of his/ her grievance by the Forum or the Forum has rejected the grievance or has not passed the order within the time-limit specified;*
6. *The Complainant has filed the representation before the Ombudsman within 30 days from the date of receipt of the decision of the Forum or date of expiry of the period within which the Forum was required to take the decision, whichever is earlier*

Provided that the Ombudsman may entertain a representation after the expiry of the said period of thirty days if the Ombudsman is satisfied that there is sufficient cause for not filing it within that period

- 7. The Complainant has deposited with the Ombudsman, an amount equal to one-third of the amount assessed by the Forum, if any.*
- 8. The Complainant who claims compensation from the Distribution Licensee has paid such fees as may be stipulated by the Commission from time to time.*

Subject to the provisions of the Act and this Regulation, the Ombudsman's decision on whether the representation is fit and proper for being considered by it or not, shall be final.

The Ombudsman may reject the representation at any stage if it appears to him that the representation is:

- (a) frivolous, vexatious, malafide;*
- (b) without any sufficient cause;*
- (c) there is no prima facie loss or damage or inconvenience caused to the Complainant; or*

Provided that the decision of the Ombudsman in this regard shall be final and binding on the Complainant and the Distribution Licensee.

Provided further that no representation shall be rejected in respect of sub clauses (a), (b) and (c) unless the Complainant has been given an opportunity of being heard.

2. Format for submission of representation

Assessment of existing scenario: Except Maharashtra, most states have not specified any particular format for submission of representation.

Recommended approach: A model format for submission of representation has been provided since a format eases the process of submitting a representation for the Complainant as well as facilitates processing of representations. Such a model format has been designed considering the format specified by Maharashtra.

Model Regulations

- 1. The Complainant can submit his/ her representation as per the format specified in Annexure*

3.3.2.2 Procedure before Ombudsman

1. Promotion of settlement by conciliation

Assessment of existing scenario: The survey of Regulations has revealed that most of the states (except Delhi, Uttarakhand, and Punjab) provide for promotion of settlement of grievance by conciliation between the Complainant and the licensee.

Recommended approach: The regulations drafted by Andhra Pradesh have been used as the base to draft the Model Regulations.

Model Regulations

1. *As soon as it may be practicable to do but not later than one week from the date of receipt of representation, the Ombudsman shall serve a notice to the concerned officer of the Licensee named in the representation along with a copy of the representation and endeavour to promote a settlement of the representation by mutual agreement between the Complainant and the Licensee through conciliation or mediation.*
2. *For the purpose of facilitating settlement of the representation, the Ombudsman may follow such procedures, as he may consider appropriate.*
3. *When a representation is settled through mediation of the Ombudsman, the Ombudsman shall make a recommendation which he thinks fair in the circumstances of the case. The copies of the recommendation shall be sent to the Complainant and the Licensee.*
4. *If the Complainant and the Licensee accept the recommendation of the Ombudsman, they will send a communication in writing within 15 days of the date of receipt of the recommendation. They will confirm their acceptance to Ombudsman and state clearly that the settlement communicated is acceptable to them, in totality, in terms of recommendations made by the Ombudsman and are in full and final settlement of representation.*
5. *The Ombudsman shall make a record of such agreement in the case as his/ her orders and thereafter close the case*

2. Hearing of representations

Assessment of existing scenario:

The process of hearing broadly consists of the following steps:

1. Calling for records from the concerned Forum and Licensee
2. If the representation is not settled by conciliation, determining and conveying the hearing date to the concerned parties
3. Hearing the parties and directing them to provide submissions on the matter

The regulations drafted by Delhi are fairly detailed and exhaustive in this regard.

Recommended approach: The Model Regulations have been drafted considering Delhi as the base.

Model Regulations

1. *After registering the representation, the Ombudsman, within seven days of registration, shall call for records relating to the representation from the concerned Forum. The concerned Forum shall send the entire records within 7 days from the date of receipt of such notice to the office of the Ombudsman.*
2. *The Ombudsman may require the Licensee or any of the officials, representatives or agents of the Licensee to furnish documents, books, information, data and details as may be required to decide the representation and the Licensee shall duly comply with such requirements of the Ombudsman*
3. *Where the representation is not settled by agreement within a period of 30 days from the date of receipt of representation or such extended period the Ombudsman may deem fit duly considering the overall time limit specified, the Ombudsman may determine the manner, the place, the date and the time of the hearing of the matter as the Ombudsman considers appropriate.*
4. *The Ombudsman may hear the parties and may direct the parties to submit written statements of submissions in the matter.*
5. *A Complainant, Distribution Licensee or any other person who is a party to any proceedings before the Ombudsman may either appear in person or authorise any person to present his/ her case before the Ombudsman and to do all or any of the acts for the purpose.*
6. *Where the Complainant or the Licensee or their representative fails to appear before the Ombudsman on the date fixed for hearing on more than two occasions, the Ombudsman may decide the representation ex-parte.*
7. *No adjournment shall ordinarily be granted by the Ombudsman unless sufficient cause is shown and the reasons for grant of adjournment have been recorded in writing by the Ombudsman.*

3. Issue of Order

Assessment of existing scenario: The process of issue of Order broadly consists of following steps:

1. Drafting of a detailed Order including specific directives to the licensee or the Complainant and the award (compensation), as the case maybe
2. Acceptance of the Order by the Complainant
3. Compliance by the licensee

The regulations drafted by Maharashtra are fairly detailed and exhaustive in this regard. Specific provisions regarding review of an order, as drafted by Chhattisgarh, are also noteworthy.

Recommended approach: The Model Regulations have been drafted considering Maharashtra as the base. Further, specific provisions from Chhattisgarh have been incorporated. In terms of time limit for the Ombudsman to pass the Order, the period provided has been specified as 60 days.

Model Regulations

1. *The Ombudsman shall pass a written order giving reasons for all his/ her findings. The order shall state nature of the reliefs the Complainant is entitled to as per the order. A copy of the order shall be sent to the parties and also to the concerned Forum for information.*
2. *The Ombudsman shall pass an order as early as possible but in any case, within 60 days from the date of receipt of the representation. Where there is delay in disposal of a representation within the said period, the Ombudsman shall record reasons of such delay.*
3. *The order passed by the Ombudsman shall set out -*
 - a. *issue-wise decision;*
 - b. *reasons for passing the order; and*
 - c. *directions, if any, to the Distribution Licensee or Complainant or any other order, deemed appropriate in the facts and circumstances of the case; and/ or*
4. *The Licensee shall duly comply with and implement the decision of the Ombudsman on the representation filed by the Complainant within 15 days of issue of the Order.*
5. *Non-compliance of Ombudsman's Orders shall be in violation of these Regulations and liable for appropriate action by the Commission under the provisions of the Electricity Act, 2003*

6. *No party can file an appeal before the Commission against the order passed by the Ombudsman. However, this is without prejudice to the rights of the complainant and the licensee to seek appropriate remedy against the order passed by the Ombudsman before appropriate bodies.*
7. *On request of the Complainant, the Ombudsman may issue such interim orders at any stage during disposal of the representation as it may consider necessary.*

Provided that the Ombudsman shall have the powers to pass such interim order in any proceeding, hearing or matter before it, as it may consider appropriate if the Complainant satisfies the Ombudsman that prima facie the Distribution Licensee has threatened or is likely to remove or disconnect the electricity connection, and has or is likely to contravene any of the provisions of the Act or any rules and regulations made thereunder or any order of the Commission, provided that, the Ombudsman has jurisdiction on such matters.

Provided further that, except where it appears that the object of passing the interim order would be defeated by delay, no such interim order shall be passed unless the opposite party has been given an opportunity of being heard.

8. *The Ombudsman shall be guided by the principles of natural justice, and subject to the other provisions of these regulations, the Ombudsman shall have powers to regulate its own procedure.*

3.3.3 Consumer Advocacy

1. *A Consumer Advocacy Cell may be instituted by the Commission to provide the required legal advice, support, and assistance to Complainants for representing their case before the Ombudsman.*
2. *Such a Cell shall be funded by the Commission.*
3. *The Cell may also perform additional functions as specified below:*
 - a) *Half-yearly review of grievances, representations and reports submitted by the Forum and the Ombudsman in order to advise the Commission on improvements to be made in the Regulations.*
 - b) *Analysis of reports submitted by the licensee with regards to levels of performance achieved on performance standards specified under Section 57 (Consumer Protection: Standards of performance of licensee) of the Act.*
 - c) *Facilitate capacity building of consumer groups and ensure their effective representation for enhancing the efficacy of regulatory processes.*

APPENDICES

APPENDIX I: FOR RECOMMENDATIONS ON PROTECTION OF CONSUMER'S INTERESTS

FOR had finalized recommendations related to the issue of protection of consumer interests based on a report submitted by a Working Group constituted for this purpose. These recommendations, which are to be incorporated in the Model Regulations, are listed below:

1. It is recommended that SERCs should specify in the guidelines and regulations framed under section 42(5) and (6) of the Act that in respect of the resolution of the grievances of consumers through the mechanism of CGRF - which is an organ of the licensee and where proceedings may not be adversarial in nature - both parties (i.e. the consumer and the distribution licensee) shall not be represented by lawyers. However, since the proceedings before the Ombudsman, being essentially adversarial in nature, the imposition of such a restriction may not be legally tenable in the absence of a specific provision in the Act. It is, therefore, recommended that wherever there is a practice of the licensee being represented by an advocate before the Ombudsman, consumer legal assistance cells might be constituted by SERCs, to provide required legal advice, support, and assistance to consumers, wherever necessary. Such a unit could be funded by the SERCs.
2. The CGRF should be treated as the internal first-level grievance redressal organ. Some State Commissions had passed orders merging internal grievance redressal mechanisms of the licensee with CGRF. It is suggested that this practice should be followed by all SERCs across the board. Therefore, it is necessary to ensure that the consumer who has a grievance should have the right to approach the CGRF directly without any precondition of approaching a particular staff or other committee set up by the licensee. Though the consumer should have a right to directly approach the CGRF, periodic meetings and interactions by the local utility staff with the consumers may also be encouraged as these have proved useful in resolving petty and routine issues
3. According to the Rule 7 (as amended) of the Electricity Rules, 2005, the manner of appointment and the qualification and experience of the persons to be appointed as members of the Forum would be as per the guidelines specified by the State Commission. The qualification and experience required for the appointment of a Chairperson of the Forum should be specified in such a manner as to ensure that the person is not serving as a regular employee of the licensee. It is observed that the requirement in Rule 7 of the Electricity Rules, 2005 that the Forum "shall

consist of officers of licensee" does not imply that the officer had to be a regular officer of the licensee. So long as the salary of the member of the Forum is paid by the licensee, such a member could be treated as an 'officer of licensee' and the requirement of Rule 7 would be met.

4. Since the idea behind creating the institution of CGRF is redressal of grievances of consumers, it is incumbent that such a Forum should be easily accessible to a consumer. It is therefore suggested that the CGRF should be located at a place which is easily accessible by the consumer under jurisdiction of such a Forum. Ideally, CGRF should hold sittings at different places but there should be predetermined dates for hearing the grievances of consumers.
5. As the CGRF is an internal organ of the licensee, it is recommended that the expenditure of the CGRF be borne by the licensee.
6. All SERCs should make provisions in their regulations clearly stipulating that non-compliance of the orders of CGRF would be treated as contravention of the regulations of SERC making the licensee liable for action under section 142 of the Act.
7. Each SERC, while specifying the regulation under section 42(5) and (6), should provide a time limit (say 45 days or 60 days) for disposal of grievances by the CGRF. In the event of the CGRF not disposing off the grievances within the stipulated time period, the consumer should have the right to approach the Ombudsman for settlement of non-redressal of his grievance by the CGRF. In addition, the provisions of section 142 of the Act may also be invoked for non-compliance of the regulations of the State Commission.
8. It is recommended that the institution of the Ombudsman should be created on a full-time basis so that proper attention is given to the resolution of the grievances of consumers. It is, therefore, suggested that the practice of designating an officer of SERC as Ombudsman should be discontinued.
9. Section 91(2) deals with creation of a regular post for the Regulatory Commission and that an Ombudsman should not be treated as a regular employee of the Commission. Since the provision for the appointment of an Ombudsman has been made in the Act itself in Section 42 (6), there is no need for the creation for a separate post for Ombudsman and consequently there is no need for seeking approval of the government under Section 91 (2) of the Act.
10. Expenses of the office of the Ombudsman should not be met by the distribution licensee, as it might raise a question on the independence of the Ombudsman. The office of the Ombudsman should be funded by SERCs and a separate budgetary allocation could be made in the budget of SERC for this purpose. The SERC may recover such expenses from the licensees directly.
11. The provision in the rule issued by Gol stipulating inter alia requirement of submission of the report by the Ombudsman should be institutionalized by all SERCs

12. Each SERC should notify a consumer charter based on the model charter suggested in this report.

APPENDIX II: RELEVANT EXTRACTS OF LEGISLATIONS AND REGULATIONS

1. ELECTRICITY ACT, 2003

Section 42. (Duties of distribution licensee and open access):

.....

.....

.....

42. (5) 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.

42. (6) Any consumer, who is aggrieved by non-redressal of his grievances under sub-section (5), may make a representation for the redressal of his grievance to an authority to be known as Ombudsman to be appointed or designated by the State Commission.

42. (7) The Ombudsman shall settle the grievance of the consumer within such time and in such manner as may be specified by the State Commission.

42. (8) The provisions of sub-sections (5),(6) and (7) shall be without prejudice to right which the consumer may have apart from the rights conferred upon him by those sub-sections.

Section 57. (Consumer Protection: Standards of performance of Licensee):

57. (1) The Appropriate Commission may, after consultation with the Licensees and persons likely to be affected, specify standards of performance of a Licensee or a class of Licensees.

57. (2) If a Licensee fails to meet the standards specified under sub-section (1), without prejudice to any penalty which may be imposed or prosecution be initiated, he shall be liable to pay such compensation to the person affected as may be determined by the Appropriate Commission:

Provided that before determination of compensation, the concerned Licensee shall be given a reasonable opportunity of being heard.

57. (3) The compensation determined under sub-section (2) shall be paid by the concerned Licensee within ninety days of such determination.

Section 59. (Information with respect to levels of performance):

59. (1) Every Licensee shall, within the period specified by the Appropriate Commission, furnish to the Commission the following information, namely:-

(a) the level of performance achieved under sub-section (1) of the section 57;

(b) the number of cases in which compensation was made under subsection (2) of section 57 and the aggregate amount of the compensation.

59. (2) The Appropriate Commission shall at least once in every year arrange for the publication, in such form and manner as it considers appropriate, of such of the information furnished to it under sub-section (1).

Section 173. (Inconsistency in laws):

Nothing contained in this Act or any rule or regulation made thereunder or any instrument having effect by virtue of this Act, rule or regulation shall have effect in so far as it is inconsistent with any other provisions of the Consumer Protection Act, 1986 or the Atomic Energy Act, 1962 or the Railways Act, 1989.

2. NATIONAL ELECTRICITY POLICY, 2005

1.8 The National Electricity Policy aims at laying guidelines for accelerated development of the power sector; providing supply of electricity to all areas; and protecting the interests of consumers and other stakeholders keeping in view the availability of energy resources, technology available to exploit these resources, the economics of generation using different resources, and energy security issues.

2.0 AIMS & OBJECTIVES

The National Electricity Policy aims at achieving the following objectives:

-
-
- Protection of consumers' interests
-

4.0 ISSUES ADDRESSED

The policy seeks to address the following issues:

-
-
- Protection of consumer interests and quality standards
-

5.1 RURAL ELECTRIFICATION

5.1.1 The key development objective of the power sector is supply of electricity to all areas including rural areas as mandated in Section 6 of the Electricity Act. Both the Central government and the state governments would jointly endeavour to achieve this objective at the earliest. Consumers, particularly those who are ready to pay a tariff which reflects efficient costs, have the right to get uninterrupted twenty-four hours supply of quality power. About 56% of the rural households in India have not yet been electrified even though many of these households are willing to pay for electricity. Determined efforts should be made to ensure that the task of rural electrification, aimed at providing electricity access to all households, and also ensuring that electricity reaches the poor and marginal sections of society at reasonable rates, is completed within the next five years.

5.4 DISTRIBUTION

5.4.2 The Act (Electricity Act 2003) provides for a robust regulatory framework for distribution licensees to safeguard consumer interests. It also creates a competitive framework for the distribution business, offering options to consumers through the concepts of open access and multiple licensees in the same area of supply.

5.7 COMPETITION AIMED AT CONSUMER BENEFITS

5.7.1.e The Central Commission and the State Commissions are empowered to make regulations under Sections 178 and 181 of the Act respectively. These regulations will ensure the implementation of various provisions of the Act regarding encouragement to competition and also consumer protection. The regulatory commissions are advised to notify various regulations expeditiously.

5.13 PROTECTION OF CONSUMER INTERESTS AND QUALITY STANDARDS

5.13.3 It is advised that all State Commissions formulate guidelines regarding the setting up of grievance redressal forums by licensees as also regulations regarding the Ombudsman, and also appoint/designate the Ombudsman within six months.

5.13.4 The Central Government, the state governments, and electricity regulatory commissions should facilitate capacity-building by consumer groups and their effective representation before the regulatory commissions. This will enhance the efficacy of the regulatory process.

3. ELECTRICITY RULES, 2005

Rule 7. Consumer Redressal Forum and Ombudsman.-

(1) The distribution licensee shall establish a forum for redressal of grievances of consumers under sub-section (5) of section 42 which shall consist of officers of the licensee.

(2) The Ombudsman to be appointed or designated by the State Commission under sub-section (6) of section 42 of the Act shall be such person as the State Commission may decide from time to time.

(3) The Ombudsman shall consider the representations of the consumers consistent with the provisions of the Act, the Rules and Regulations made hereunder or general orders or directions given by the Appropriate Government or the Appropriate Commission in this regard before settling their grievances.

(4) (a) The Ombudsman shall prepare a report on a six monthly basis giving details of the nature of the grievances of the consumer dealt by the ombudsman, the response of the Licensees in the redressal of the grievances and the opinion of the ombudsman on the Licensee's compliance of the standards of performance as specified by the Commission under section 57 of the Act during the preceding six months.

(b) The report under sub-clause (a) above shall be forwarded to the State Commission and the State Government within 45 days after the end of the relevant period of six months.

APPENDIX III: REVIEW OF ORDERS AND JUDGEMENTS

1. Adjudicatory powers of the Commission

Section 86.(1)(f) of the Act provides the Commission with adjudicatory powers only in matters of adjudication of disputes between the licensees and the generating companies and as such the Commission cannot adjudicate disputes relating to grievances of individual consumers. However, the Commission has jurisdiction only to issue general directions to prevent harassment to the public at large by its licensees/distributors^{3,4}. Thus, it can be concluded that the Commission has no jurisdiction to entertain matters related to consumer grievances. The CGRF constituted by the licensees are to decide the individual cases received by them after giving fair opportunities to the consumers. Consumers, who are still not satisfied with the order passed by the CGRF, may approach the Ombudsman^{5,6}.

2. Right of Appeal provided to Consumer and Licensee

MERC, in a clarificatory note, has elaborated on the Right of Appeal provided in the Act. Section 42.(6) of the Act provides the consumer, right of appeal against the decisions of the CGRF to the Ombudsman. The Act does not stipulate the right of appeal for:

- (i) the Licensee from the order of the Forum.
- (ii) the Licensee and Consumer from the Order of the Ombudsman.

Further, Section 42.(8) of the Act saves the right of the consumer under Constitutional law which implies that the consumer is free to invoke statutory provisions under any other law for the time being in force. Also, Section 173 of the Electricity Act, 2003 provides that the Consumer Protection Act, 1986 has an overriding effect insofar as the provisions of Electricity Act, 2003 or rule or regulation made thereunder or any instrument having effect by virtue of the Electricity Act, 2003, rule or regulation, is inconsistent with any other provisions of the Consumer Protection Act, 1986. Further, Section 175 of the Electricity Act,

³ The Hon'ble Supreme Court in its decision dated 14.8.2007 in Civil Appeal No. 2846 of 2006: Maharashtra Electricity Regulatory Commission Vs Reliance Energy Ltd & Others JT 2007 (10) SC 365

⁴ APTEL judgements: Case numbers 30 of 2005, 164 of 2005 and 25 of 2006, 105 to 112 of 2005, 104 of 2005, 11 of 2005, 125, 126 & 127 of 2006, 117 of 2007

⁵ HPERC in its ruling dated 7/3/2008 in regards to Complaint No. 242/2006 & 243/2006 in the case M/s Himalaya International Ltd. v/s The Chairman, HPSEB

⁶ APTEL Case no. 181/08, 30-03-2009, BRPL v/s DERC

2003 stipulates that the said enactment applies in addition to other laws in force and not in derogation thereof.

Therefore, in view of the above, on first principles, it appears that the consumer has the right to avail of remedies under other laws or any other right which he may have if he/ she is aggrieved by an order of the Ombudsman. This includes the right to initiate a suit or proceedings in a civil court (original jurisdiction) or at consumer disputes redressal forum/ agencies under the Consumer Protection Act, 1986 (having appropriate jurisdiction) or the right to seek recourse to the writ jurisdiction of the High Court, depending upon the facts and circumstances of the case. Likewise, it appears that the distribution licensee, upon being aggrieved by an order of the Forum or Ombudsman, may initiate a suit or proceedings in civil court (original jurisdiction) or seek recourse to the writ jurisdiction of the High Court.

3. Right of Consumers to approach other forums

Section 42 (8) saves the rights of consumer to approach any other forum such as the forums constituted under the Consumer Protection Act, 1986 or other courts as may be available. Hence, the consumer may have the liberty to approach these courts without approaching either CGRF or the Ombudsman.

4. Compensation in cases of violation of Standards of Performance

Neither the CGRF, nor the Ombudsman has any powers to decide compensation in cases of violation of the Standards of Performance by the licensee. This power solely rests with the Commission. Sub-section (2) of section 57 of the Act, reads as under:-

“(2) If a licensee fails to meet standards specified under sub-section (1), without prejudice to any penalty which may be imposed or prosecution may be initiated, he shall be liable to pay such compensation to the person affected as may be determined by the Appropriate Commission:

Provided that before determination of compensation, the concerned licensee shall be given a reasonable opportunity of being heard”.

APPENDIX IV: SURVEY OF REGULATIONS DRAFTED BY VARIOUS SERCs

Legend:

Comm.: Commission, Cons: Consumer, Elect. Engr.: Electrical Engineering, exp.: experience, Prot: Protection, Sup. Engr.: Superintendent Engineer, retd.: retired, Prof.: Professor, dept.: department, Govt.: Government, yrs: years, Acct.: Accounting, Asst.: Assistant, Exec.: Executive, eqv.: equivalent, rep.: representative, Mgt.: Management, Ind: Industrial, Dom: Domestic, Agri Agricultural, Dir: Director

Note:

* Cells containing ‘-’ or ‘not specified’ indicate that there is no clause against that provision in the regulation

No.	Provisions	APERC	DERC	MERC	RERC	GERC	HPERC	UERC	PSERC	CSERC
	CGRF									
1	Constitution									
1.a	No. of forums allowed for each licensee	One	One	Atleast one for each zonal distribution area	As many as needed	As many as possible	As many as needed	As many as needed	One	To be decided by licensee with approval from Comm.
1.b	Number of members	4	3	3	-	As many as needed. Shall be an ODD number	3	3	3 (1 in case of <1 lakh consumers)	3
1.c	Selection process	3 selected by licensee, 1 nominated by Comm.	Mutual (licensee suggests & Comm.	2 selected by licensee, 1 nominated by Comm.	1 nominated by Comm.	Appointed by licensee	Appointed by licensee (3 rd by Comm.)	Appointed by licensee (3 rd by Comm.) after getting Comm.	Appointed by licensee (3 rd by Comm.)	Appointed by licensee (3 rd by Comm.)

No.	Provisions	APERC	DERC	MERC	RERC	GERC	HPERC	UERC	PSERC	CSERC
			approves)					approval		
1.d	Age limit while in office (years)	Superannuation age	67	67	-	-	Member 1,2: Cannot hold office if he is no longer employee of licensee Member 3: 65 yrs	65	Superannuation age with licensee (65 for Comm. member)	Member 1,2: Superannuation age
1.e	Min. qualifications of Chairperson	Serving officer of licensee, degree in Elect. Engr., exp. of 20 years at Sup. Engr. or above post.	Degree in Elect. Engg., exp. of 20 years at Sup. Engr. or above post. in distribution	Retd. senior judicial officer/ retd. civil servant not below Collector/retd. Principal of reputed Engr. College/retd. Prof. of Elect. Engr. dept. of reputed institute/retd. senior Elect. Engr. of Govt.	-	Not specified	Member 1	Member 1	Elect engr in licensee with exp in elect dist, not below Chief Engr	Officer of licensee, min supt engr, degree in elect engr, 20yrs in dist

No.	Provisions	APERC	DERC	MERC	RERC	GERC	HPERC	UERC	PSERC	CSERC
				Knowledge of regional language preferable.						
1.f	Min. qualifications of other members	<p>Member 1: Serving officer of licensee, exp. of 10 yrs in Acct. at Senior Accounts Officer or above post.</p> <p>Member 2: Serving officer of licensee, exp. of 5 yrs in Legal at Asst. Secretary or above post.</p> <p>Member 3: Consumer Affairs expert nominated by Comm.</p>	<p>Member 1: Degree in Law and 10 yrs exp. In legal.</p> <p>Member 2: Member of registered society/NGO/ Consumer organization in Consumer Protection for 5 yrs or such member to have 5 yrs exp. in consumer related matters</p>	<p>Member 1: Exec. Engr or eqv. of any licensee, exp. in distribution and supply of electricity.</p> <p>Member 2: Rep. of registered voluntary consumer protection organization of the area, working for at least 5 yrs. on consumer grievances matters</p>	-	<p>1/3rd of members: Engineers with 10 yrs exp in Electricity industry</p> <p>1/3rd of members: Law graduates with 10 yrs exp in law</p> <p>1/3rd of members: Reps of consumer associations appointed by licensee</p>	<p>Members to have exp in engr, fin, commerce, econ, cons. affairs, industrial matters, law or mgt.</p> <p>Member 1: Officer of licensee. Degree in Elect Engr., exp of 20 yrs, min post of Chief Engr in organization doing G, T, D & Trading</p>	<p>Member 1 (Judicial member): Retd. dist judge/Addn. dist judge/retd. judicial officer with 20yrs or retd. civil servant atleast</p> <p>District Collector</p> <p>Member 2 (Tech member): Serving officer at HQ atleast GM/retd. from GM with degree in</p>	<p>Member 1: Finance & Accts cadre (exp in rev matters), not below Chief Accts officer</p> <p>Member 2: associated with NGO, graduate with knowledge of power sector, familiar with consumer affairs</p>	<p>Member 1: Officer of licensee, min Dir Fin/Accts or Sr. Acct officer/Sr. law officer, 10yrs in fin/acct/legal in elect sector</p> <p>Member 2: Independent, nom. by Comm., rep of cons association/N GO doing cons advocacy or person</p>

No.	Provisions	APERC	DERC	MERC	RERC	GERC	HPERC	UERC	PSERC	CSERC
							<p>Member 2: Officer of licensee. Degree in Econ./Fin/Com/Econ/law/Mgt with 20 yrs in organization doing G, T, D or Trading.</p> <p>Member 3: Independent. Cons prot org, NGO, cons activist, exp of 5yrs</p>	<p>Elect Engr & 15yrs in distribution/ret d. prof of Elect Engr of IIT or Govt college</p> <p>Member 3 (Consumer): good exp in electricity consumer affairs</p>		familiar with cons affairs. He should not be employee of licensee for 2 yrs prior to appointment
1.g	Term (years) & possibility of reappointment	2 (no reappointment)	3 (one reappointment possible)	3 (2 yrs extension possible)	-	3 (no reappointment)	3 (no reappointment).	3 (2 yrs extension possible)	2	2 (Members 1,2: full time, Member 3 can be part time)
2	Complaint handling									

No.	Provisions	APERC	DERC	MERC	RERC	GERC	HPERC	UERC	PSERC	CSERC
2.a	Complaint handling mechanism before CGRF	Complaint handling procedure in each licensee. Consumer has option of approaching it before CGRF	Complaint handling procedure in each licensee. Consumer has to compulsorily approach it before CGRF	One IGR cell for each revenue district. Consumer has to compulsorily approach IGR before CGRF. Normally, consumer can submit complaint to CGRF only after 2 months with IGR	None	Consumer can first approach primary complaint handling mechanism with licensee. If not satisfied, he can approach CGRF. But he can directly approach CGRF also	None	None	Consumer has to approach complaint handling procedure of licensee first	-
2.b	Classification/Sorting/Prioritizing	Not specified	Not specified	Not specified	Monetary (billing issues, recovery of arrears) and Non-monetary (quality of supply, defects in service &	-	-	-	-	In case of billing complaints, Forum may receive >Rs. 1000 (HT, LT ind, non dom) and Rs. 500 (dom, agri)

No.	Provisions	APERC	DERC	MERC	RERC	GERC	HPERC	UERC	PSERC	CSERC
					standards of performance by the licensee). Separate redressal mechanism levels (Divisional Office Forum, Circle Office Forum, Corporate Forum) for each severity level and type of grievance					
2.c	Format for submission	Consumer free to submit in any format	Provided. Includes among other details, details of grievance and remedy sought	Provided. Includes among other details, date of intimation to IGR, remedy provided by	Not specified	No format	Specified	Not specified	-	No format

No.	Provisions	APERC	DERC	MERC	RERC	GERC	HPERC	UERC	PSERC	CSERC
				IGR, details of grievance and remedy sought						
2.d	Provision for interim order	Yes	Yes	Yes	Yes	Interim relief provided	Yes	-	-	Yes. Review is allowed
2.e	Resolution process	To be specified separately	General	Apart from general provisions, advocate not allowed to represent & CGRF can direct licensee to conduct or bear cost of an inspection	Apart from general provisions, if consumer is dissatisfied with decision of a lower level Forum, consumer has option to approach Corporate Forum before approaching Ombudsman.	Forum may refer complaint to Ombudsman if it is not competent to deal with them	General	Advocate not allowed.	General	General. Advocate is allowed. Consumer can be represented by NGOs/consumer groups
2.f	Decision making	Majority vote of all members	Majority vote of all members	Majority vote of all members	-	Majority vote of all members	Majority vote of all members	-	Majority vote of all members	

No.	Provisions	APERC	DERC	MERC	RERC	GERC	HPERC	UERC	PSERC	CSERC
2.g	Quorum (no. of members)	3	2	2	-	2/3 rd of members	2/3 rd of members	2	2	2
2.h	Casting vote for Chairperson allowed?	Yes	Yes	Yes	-	-	Yes	-	Yes	Yes
2.i	Time limit for decision making (days)	45	60	60	45	Different timeframes for different nature of grievances to be specified. To be less than that specified in SoPs. 45 days is maximum	90	60	60	30. In case of delay, Ombudsman to be informed
3	Operational									
3.a	Fixing of salaries of members	Same as they are otherwise entitled to (Rs. 750 per day for nominated	Licensee suggests & Comm. Approves	To be decide by licensee	-	Licensee suggests & Comm. Approves. To be not less	Member 1,2: Licensee Member 3: Comm.(Rs. 20,000)	Comm.	-	To be decide by licensee

No.	Provisions	APERC	DERC	MERC	RERC	GERC	HPERC	UERC	PSERC	CSERC
		member)				than that received by any previous member				
3.b	Costs borne by licensee	All	-	All	-	All	All (can be passed in ARR)	All (can be passed in ARR)	All (can be passed in ARR)	All (can be passed in ARR)
4	Reporting									
4.a	Reporting frequency	Quarterly & Yearly	Monthly	Half yearly	Quarterly	Quarterly	Quarterly (format specified)	Quarterly & Yearly	Quarterly	Monthly
	Ombudsman									
1	Constitution									
1.a	Eligibility	Legal, Engr., education, industry, civil service, administrative service, consumer affairs or amongst persons of	Law, Mgt., Engr., finance, commerce, public administration or in non-govt. organizations. Govt. secretary of eqv. post	Retd. judge of High Court, retd. Secretary to the Govt., or retd. CEO of electricity sector utility	Elect. Engr., Mgt. or Consumer Affairs	Retired District Judge or qualified to be appointed a District Judge; or have experience of 20 yrs in law, management or	Elect engr, fin, commerce, econ, law, mgt. Not below Chief Engr in a utility	Retd. judge/ person who has been member for full term in any regulatory body/retd. civil servant not below Secretary/3yrs	enr, fin, commerce, econ, law, mgt	Legal, engr, industry, admin, mgt, defence, consumer affairs, >20yrs.

No.	Provisions	APERC	DERC	MERC	RERC	GERC	HPERC	UERC	PSERC	CSERC
		eminence				administration; be a retd. Chief Electrical Inspector/CEO /MD/Chairman of an electricity sector utility or a person having at 20 yrs exp. in electricity industry		exp as CEO or Director of any electric utility		
1.b	Age limit (years)	-	67	70	68 (min. entry age is 58)	-	65	-	-	62 (entry age)
1.c	Term (years)	-	3 (one reappointment possible)	3 (two yrs extension possible)	3 (one reappointment possible)	3	3 (no reappointment)	3 (extendable)	3	2 (one year ext)
2	Complaint handling									
2.a	Time limit to submit	30	30	60	90	30	45 (in case order is	30	30	30

No.	Provisions	APERC	DERC	MERC	RERC	GERC	HPERC	UERC	PSERC	CSERC
	complaint from date of CGRF order (days)						passed by Forum) or 90 (in case of non-redressal)			
2.b	Classification/Sorting/Prioritizing	Not specified	Not specified	Not specified	Not specified	-	-	-	-	
2.c	Format for submission	Consumer free to submit in any format	Provided. Includes among other details, details of the final CGRF order, date of submission of grievance to CGRF, details of grievance and remedy sought	Provided. Includes among other details, details of the final CGRF order, date of submission of grievance to CGRF, details of grievance and remedy sought	Provided. Includes among other details, details of the final CGRF order, date of submission of grievance to CGRF, details of grievance and remedy sought	Representation to be given stating that the complaint is eligible to be filed	Specified	-	-	
2.d	Pre-condition for entertaining grievance	If not satisfied with CGRF	1) If not satisfied with CGRF 2) Consumer to	1) CGRF has rejected the grievance or not passed order	If not satisfied with CGRF	Specified	Specified	-	-	

No.	Provisions	APERC	DERC	MERC	RERC	GERC	HPERC	UERC	PSERC	CSERC
			deposit 1/3rd of amount ordered by CGRF	within time-limit. 2) Consumer to deposit lesser of 50% of amount or Rs. 25,000 if ordered by CGRF						
2.e	Provision for conciliation / mediation	Yes	Not specified	Yes	Yes	Yes	Yes	-	-	Yes
2.f	Provision for interim order	Yes	Not specified	Yes	Yes	Yes	Not specified	-	Yes	
2.g	Provision for review of award	-	Award is final and binding	Review application can be filed before ombudsman	-	Yes	Appeal can be filed before Comm.	-	-	Yes
2.h	Resolution process	General	General	Apart from general provisions, advocate not allowed to represent & Ombudsman	Not specified	Comm. can overturn ruling of Ombudsman	General	Advocate allowed for utility only if consumer uses one.	General	Advocate and consumer associations allowed

No.	Provisions	APERC	DERC	MERC	RERC	GERC	HPERC	UERC	PSERC	CSERC
				can direct licensee to conduct or bear cost of an inspection						
2.i	Time limit for decision making (months)	3	3	2	3	-	3	3	3	3
3	Operational									
3.a	Fixing of remuneration	Comm.	Comm.	Comm.	45,000 pm with 5% increase p.a	Comm.	Comm.	Comm.	Comm.	Comm.
3.b	Costs borne by licensee	-	All	NIL (all borne by Comm.)	-	SERC Fund. Till SERC Fund is in place, to be borne by licensee	All (to be borne by all licensees in proportion as determined by Comm.). Allowed to be pass thru in ARR	-	All (to be borne by all licensees in proportion as determined by Comm.). To be released quarterly in advance. Allowed to be	All (to be borne by all licensees in proportion as determined by Comm.). To be released quarterly in advance.

No.	Provisions	APERC	DERC	MERC	RERC	GERC	HPERC	UERC	PSERC	CSERC
									pass thru in ARR	
4	Reporting									
4.a	Reporting frequency	Half yearly	Half yearly	Half yearly	Half yearly	Quarterly & Yearly	Half yearly (format specified)	Quarterly & Yearly	Half yearly	Quarterly, Half Yearly & Yearly