



HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED
(A State Government Undertaking)

Registered Office : Vidyut Bhawan, HPSEBL, Shimla-171004 (H.P.)
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Sales Circular No. 3 of 2022

No. HPSEBL/CE (Comm.)/S-4/Vol-V/2022-
To

8553-2912 Dated: 22/08/2022

1. All Chief Engineers(Op) under HPSEBL HPSEBL,
2. All the Dy.CEs/ SEs, Operation Circles, under HPSEBL.
3. All the Addl. SEs/ Sr. Executive Engineers, Operation, Electrical Divisions under HPSEBL.
4. All A.E.E.s/ A.E.s, Operation, Sub-Divisions under HPSEBL.

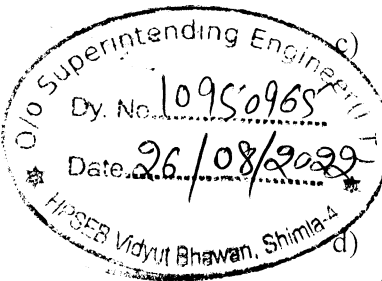
Subject:- Non-compliance of various provisions of Sales Manual, Supply Code and Regulations, resulting in non-recovery of the dues from consumers and other lapses by Sub-Division/Division/Circles- instructions thereof.

Sir,

It has come to the notice of Component Authority from various enquiry reports submitted by the Committee notified for the purpose that the functions of metering, billing, collection, release of connection and disconnection of supply are not been done as per the practice/ procedure and duties entrusted to the various officers/officials in the hierarchy resulting in loss of revenue to the utility and undue favour to individual/consumers apart from the awkward position faced by management before various courts/review by higher authorities.

Gist of some of the discrepancies noticed by various committees on random checking of the consumer(s) accounts are as under:-

- a) The bills were generated by the field units by manually punching the maximum demand and energy data instead of the procedure prescribed for MRI data updating/uploading under SAP-ISU billing software, resulting in manual intervention and short assessment done by the respective field units.
- b) The field units are not maintaining the MRI records to ascertain the correctness of the bills issued to the consumer at the time of audit inspection or to produce as an evidence in case the consumer file complaint against a particular bill before any Court of law.
- c) The concerned field units are not implementing the tariff provision as per Tariff Order notified by HPERC , procedure for checking the consumer account prescribed in Sales Manual Instruction No. 38 (Part-I) and Instruction No. 293 (Part-II) and the high end consumers billing and collection functions are left with Sub-Division being the junior most office in the Operation Wing.
- d) The record of meter reading done by the meter reading authority to whom the duties have been assigned as per Sales Manual Instruction No. 24 are not being maintained which shows non-serious attitude of the meter reading authorities. The detailed instructions in this regard stands already issued as Sales Circular No. 6/2021 circulated vide letter No. HPSEBL/CE (Comm.)/S-4/Vol-IV/2021-7449-7538 dated: 29.10.2021.

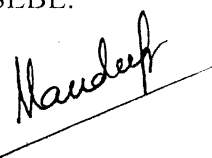


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- e) The billing of two part consumer shall be done based on the MRI data for various TODs. In some of the Sub-Divisions, the billing was done based on only 3 TODs registers, which is violation of the implementation of the Tariff Order and revenue loss to HPSEBL.
- f) The Meter Reset button and CT-PT are not being sealed as per Sales Manual Instruction No. 23 resulting in manipulations/ tempering with the properties of HPSEBL and loss of revenue.
- g) The bills in respect of sub-meter consumers are not being issued as per the standard practice in respect of the demand charges calculations, wherein, it has been observed that to calculate the maximum demand of the main-meter, total maximum demand recorded by sub-meter was subtracted from maximum demand recorded by the main-meter.
- h) The SCOs, MCOs, TDCOs, PDCOs and SJOs are not being affected timely in SAP-ISU Billing software, resulting in financial implications to HPSEBL.
- i) The categorization specifically in case of Industrial consumers has not been done by the field units based on the sanctioned Contact Demand as per Tariff Order notified by Commission, which has not been checked by the officer/officials to whom the responsibility has been provided as per Sales Manual Instruction No. 38 (Part-I) and Instruction No. 293 (Part-II).
- j) In some Sub-Divisions, the concerned field units had issued zero consumption bills for the consumers for a period more than two years with a reason of defective meter, whereas, there is specific provision to tackle this situation in the Supply Code and to replace the defective meter as per time frame specified in HPERC(Distribution Performance Standards) Regulation, thus violation of HP Electricity Supply Code /HPERC(Distribution Performance Standards) Regulation and financial loss to HPSEBL.
- k) Some of the consumers violated the Contract Demand above the limit provided in Supply Code, but the field units have not taken any action for assessment of the consumers account under Section 126 of Electricity Act, 2003, thus financial loss to HPSEBL and undue favour to the individual consumer.
- l) In some of the Sub-divisions it has been observed that the issuance of bills in respect of Two Part consumer are being escaped for the period varying from 2 months to 9 months, resulting in loss of revenue to HPSEBL.
- m) The instances of default Multiplication Factor (MF) of one or old MF have been noticed , in case of meter/CT-PT changed, due to non-exercise of proper check at the time of release of connection, additional load or change of meter/ CT-PT. The mistakes are being pointed out by the Audit Party and other inspection agencies, but up to the time of pointing out mistakes, huge outstanding amount get accumulated, which is difficult for consumer to pay in one go and consumer approaches CGRF and Ombudsman against arrear amount. Since the amount remains disputed for most of the time without any LPS thus financial loss to HPSEBL.
- n) The instances of un-sealed MD Reset button and multiple MD Resets in a month have been noticed in many Sub-divisions, resulting in wrong Maximum Demand Estimation and difficulty in Data Analysis due to large number of history respectively, resulting in financial loss to HPSEBL.



- o) In some of the Sub-divisions wrong reading of Normal Hours Consumption to Night Hour Consumption have been observed, resulting in huge financial loss to HPSEBL.
- p) The meter data of smart meter installed in a sub-division was not available for checking the correctness of bills issued and further reference in case consumer asks for the same.
- q) The sundry register was not maintained at Sub-division so as to ascertain the correctness of the sundry credit/debit given to various Industrial consumers without preparing any justification/details. It has also been noticed that the sundry credit /debit are being posted in the energy bill without detailed calculations as per guidelines issued by HPSBEL.
- r) Some of the Sub-divisions are billing the consumer on previous history, rather than History-I (latest MRI data), resulting in wrong billing, which is always questionable and may result in financial loss to HPSEBL.
- s) Tempering of records in SJOs/SCOs has also been noticed in some of the sub-divisions, wherein, un-due benefit has been given to the consumer(s) by entering wrong CT Ratio intentionally by applying correcting fluid.
- t) Some of the Sub-divisions have changed the demand of the consumer at its own without taking approval of Competent Authority and issued the SJOs without any valid approval, thus un-due favour to the consumer(s).

The above instances of casual approach and lapses on the part of the officers and officials is having direct bearing on the revenue position of HPSEBL. As all of you are aware that the electricity charges to be recovered from the consumers of the State is only source for running the affairs of this organization and Electrical Sub-Divisions are basis unit wherein the process of billing and collection of revenue is carried out but this does not mean that the other field units in the hierarchy do not have any role in billing and collection inspite of the fact that it has been clearly defined in the Sales Manual Part-I and Part-II. **The Competent Authority has taken a serious note on these issues and has desired that these activities should be done by each and every field officers/officials as per duty assigned to them, failing which, HPSEBL may initiate appropriate action against the erring officer/official.**

In view of above, the instructions already issued from time to time and also incorporated in the Sales Manual are once again reiterated and suitably amended as under:-

- 1) Addition/ Alteration/ manipulations of MRI data is not allowed. However, in some exceptional cases (such as sub-metering, net-metering and Open Access), manual adjustment should be done with prior approval of concerned SE(Op), Circle. Such consumer and bills so generated should also be marked in the SAP ISU Billing Software to distinguish it from other bills.
- 2) The MRI data record is to be maintained by each sub-division for all two part tariff consumers. IT Cell to make provision in the SAP ISU Billing Software for uploading of the MRI data zip file at the time of bill generation against the Consumer ID and billing month so as to save the data for future retrieval by the Sub-division, Division, Circle and Audit for inspection of the consumer billing or to be used as evidence to support the claim of HPSEBL in any competent

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Hon'ble Court. IT Cell of HPSEBL to work out the modalities of storing the data and storage space in Data Center for the period as allowed under HPSEBL policy for Destruction of Record under Sales Manual Instruction No. 303 and this record shall be treated as Permanent Record not to be destroyed. Similar functionality of auto AMR file with TOD upload in case of Smart Meter for retrieval by the Sub-division, Division, Circle and Audit for inspection of the consumer billing or to be used as evidence to support the claim of HPSEBL in any competent Hon'ble Court shall also be provided.

- 3) The incidences of wrong billing, bills not as per MRI data, bills non in line with the tariff order as detailed above have been noticed in the recent past. Though the checking of bills is very well covered in the **Sales Manual Instruction No. 38 and roles of various field units have been clearly defined** therein yet it has been observed that the responsibility of billing and bill verification is left with Sub-Division only. In order to protect the financial interest of HPSEBL, **the Sales Manual Instruction No. 38.1.1 is hereby amended as under:-**

38.1.1 (A) The Assistant Engineer/Sr. Assistant (Commercial) and other billing staff posted at Electrical Sub-Division shall ensure proper implementation of tariff for all the bills generated in the Sub-Division. The bills generated either through Spot Billing Machines or through SAP ISU Billing Software, including uploading of the MRI data on the requisite format as per Billing Software shall be the responsibility of the Electrical Sub-Division. If any issue arise, the Sub-Division should immediately flag the issues through Sr.E.E to IT Cell of HPSEBL.

The MRI data for bill preparation in respect of two part tariff consumers at Sub-Division shall be provided by the Meter Reading Officer/Official designated in Sales Manual Instruction No. 24. The designated meter reading officer/official (i.e. JE, AE, Sr.E.E.) while providing the MRI data to Sub-Division for bill generation should keep a record of acknowledgement in the Meter Reading Book being maintained by them while discharging the function of meter reader. The metering of consumers shall be done strictly as per Sales Manual Instruction No. 24 and Sales Circular No. 6 of 2021 issued on 29.10.2021. The billing in respect of two part tariff consumers should not be done based on three TOD readings in violation of Tariff order. Further, the bills should be issued based on History 1(Latest MRI Data) , instead of current reading to avoid MD issue.

The Sub-Division shall update the other billing data such as rates of Electricity Duty, MTax, LVMS, LVSS, Tariff Categorization, Sundry Credit /Debit with detailed calculations, any amount disputed by the consumer and stay orders from CGRF/Ombudsman, Court etc., rebate/incentives provided in the Tariff, Sanctioned Load/Demand Parameter /revision of CD allowed by Competent Authority temporary or permanent etc.

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38.1.1(B) The SE(IT)/Sr.E.E.(IT) and other IT officers/officials entrusted with the job of Computerized Billing shall be responsible for all the central activities of SAP ISU Billing including proper implementation of Tariff in the billing software, Interest on Security, ED/Mtax (where applicable in general).

In addition to above, IT Cell shall coordinate with the Electrical Sub-Division and assist them for bill generation process i.e. MRI Data Upload, Sundry posting, Disputed amount posting etc.

38.1.1(C) The bills generated by Electrical Sub-Division shall be thoroughly checked and verified for every aspects by the following officers/officials in the hierarchy before delivery to the consumer:-

Consumer Category / Tariff Type	Officer /Official responsible for checking	Checks to be exercised
Single Part tariff with connected load up to 20 kW	Sr. Assistant (Commercial) of Electrical Sub-Division	i) Random check for abnormal bill only. ii) TOD checking in respect of all two part consumers as per time slot. iii) Every consumer TOD register record should be checked once in a financial year.
Single/ Two Part Tariff Consumers with connected load above 20 kW and up to 100 kW	AE/AEE of Electrical Sub-Division	100% Checking Tariff, Tariff Category, MRI Data upload, the approval and reasons in case of failure to upload, Sundry Debit (arrear)/ Credit posting, ED/MTax, Sanctioned Contract demand /billing contract demand, NTC, Rebate/ incentives as per Tariff order & Industrial Policy, disputed amount as per Court order, MF, LVSS, LVMS, the TODs as per time slot without swapping and other checks which they find appropriate.
Single part or Two Part Tariff with Connected load above 100 kW and up to 1000 kW	Sr.E.E./ Addl.SE of Electrical Division/ AE(Works/ Comm.)	100% Checking (50% by Sr.E.E./ASE and 50% by AE(W)or AE(Comm.) Tariff, Tariff Category, MRI Data upload, the approval and reasons in case of failure to upload, Sundry Debit (arrear)/ Credit posting, ED/MTax, Sanctioned Contract demand /billing contract demand, NTC, Rebate/ incentives as per Tariff order & Industrial Policy, disputed amount as

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		per Court order, MF, LVSS, LVMS, the TODs as per time slot without swapping and other checks which they find appropriate.
Single/Two Part Tariff with connected load above 1000 kW	SE(OP), Circle/ Attached Officer	100% Checking (50% by SE(Op) and 50% by Sr.E.E./Attached Officer) Tariff, Tariff Category, MRI Data upload, the approval and reasons in case of failure to upload, Sundry Debit (arrear)/ Credit posting, ED/MTax, Sanctioned Contract demand /billing contract demand, NTC, Rebate/ incentives as per Tariff order & Industrial Policy, disputed amount as per Court order, MF, LVSS, LVMS, the TODs as per time slot without swapping and other checks which they find appropriate.
Note: The AE/AEE/Sr.EE./Addl.SE/SE mentioned above shall include the officers/officials to whom the duties have been assigned for checking and verification of the bill generated. Proper record be maintained by each office with name of the officers/official who have assigned the duty of checking and verification the bills.		

38.1.1.(D) : Role of Internal Audit.

The Internal Audit of HPSEBL is entrusted with the duty of 100% checking of the consumers accounts. However, in view of recent instances, it has been observed that “ **had the accounts checked properly by the Internal Audit Teams**”, such mistakes and financial losses would have been plugged. The Internal Audit to check 100% consumer accounts specifically in case of two part tariff consumers once in the financial year. Once the consumer commercial audit is done there should not be any chances of such type of irregularities / manipulations otherwise the auditor cannot escape the responsibility of not pointing out the same in time. Further, the commercial audit should be complete in itself i.e. both recovery and refund be pointed out along-with detailed justification, since so many instances are there where courts/CGRF/Ombudsman has allowed refund with interest/penal interest.

- 4) The instances of not sealing the Meter Reset button and CT/PT, multiple reset button and creation of multiple histories have been observed and in order to plug the revenue loss on account of this following additional sub-instruction to Sales Manual Instruction No. 24 is hereby added:-

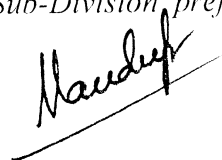
24.4 The MD reset button shall be permanently sealed by the officer/officer as per delegation vide Sales Manual Instruction No.

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23. The MD reset button is to be pressed only in case where change of CT/PT is involved and sealing may be done after the reset button pressing. Relevant entry of both the seal broken and new seal installed be made in the bill book and seal register.

5) The following additional sub-instructions are hereby added to Sales Manual Instruction No. 12 , in respect of timely affecting the SCOs, SJOs, MCOs, TDCOs, PDCOs etc. in SAP-ISU Billing Software:-

- 12.4 *The Service Connection Order (SCO) in case of new connection and Sundry Job Order (SJO) in case of additional load/ revision of Contract demand, Meter Change Order (MCO) in case of change of meter /CT/PT and TDCOs/PDCOs in case of disconnection of supply shall be timely entered in the SAP ISU Billing Software so as to generate the correct bill. The delay in affecting these orders shall be personal responsibility of JE's concerned and AE.*
- 12.5 *The SCO/SJO/TDCO/PDCO/MCO shall only be issued after the approval of the Competent Authority as per Delegation of Power. The details of Sanctioned connected Load, Sanctioned Contract Demand, Supply Voltage, Metering Voltage, Load sanction order No., Load /CD released be specifically mentioned in these orders. In case of additional load with or without additional demand or revision of CD, the existing Connected load and existing Contract demand should also be mentioned. In case of temporary revision of Contract demand, both the sanctioned CD as well as temporary revised CD be mentioned.*
- 12.6 *The concerned JE while taking action for implementation of these orders must ensure to fill the requisite details of Meter i.e. Make, Serial Number. , Meter Ratio, CT make, CT serial Number, CT ratio, PT Serial No. PT make, PT ratio, MF, Initial meter reading, length of service line etc. It should be ensured that default MF of one is not reflected for these meters. The JE concerned should enter the MF parameters i.e. CT/PT/Meter ratios at the time of change of either the meter or CT/PT so as to update the latest multiplication factor in the system for future billing.*
- 12.7 *The implemented SCO/SJO/MCO/TDCO/PDCO be system generated and be kept in safe custody with copy to the respective Meter reading officer/official and checking and verifying officer as per Sales Manual Instruction No. 38.1.1(C).*
- 12.8 *The AE of Sub-Division to check whether the entry of connected load and contract demand has been correctly entered in the system in respect of load sanctioned by Sub-Division. Further, Sr.E.E., ED & SE(Op) Circle to check the entry of load and demand in respect of load sanctioned /demand revised by them while conducting tours to Sub-Division preferably once in a*



month. In case of any irregularity/manipulations has been noticed resulting in loss to HPSEBL, the action against erring officials/ officer should be initiated immediately.

- 5) The procedure for change of defective or burnt meter has been clearly defined in the Sales Manual Instruction No. 25 and the time period for the same as per HPERC (Distribution Performance Standards) Regulations 2010. However, it has been observed that the field units are issuing zero consumption electricity bill for more than two years on the pretext of defective meter resulting in financial loss to HPSEBL. In such case, the responsibility shall rest with meter reader to report the same to the AE Concerned to issue MCO at the earliest and in case AE concerned shall not take any action, the action shall be taken against erring AE.

Further, in case of single part tariff consumers to plug the revenue loss due to connivance of bill distributor with the consumer, the AE of Electrical Sub-Division shall depute the bill distributor in rotation.

- 6) HPSEBL has delegated the powers for sanction of load as per Sales Manual Instruction No. 6.2 as amended from time to time. However, it has been observed that the Electrical Sub-Division is revising the contract demand of the consumers at their own without approval of competent authority as per delegation thus giving undue favour to the consumer. This action shall be in violation to the Sales Manual Instructions for which individual AE shall be responsible. However, in view of provision of checking and verification incorporated in the Sales Manual Instruction No. 38.1.1(C), this shall be stopped.
- 7) The bills in respect of two part consumers should be issued strictly as per billing schedule that is monthly billing and the practice to skip the bills should be immediately stopped failing which individual AE shall be held responsible. ED(Pers.) to ensure availability of staff in case pointed out by the field units.
- 8) The Sundry Register shall be maintained as per provisions of Sales Manual Instruction No. 279. The details of sundry allowance and arrear should be available with Sub-Division and is required to be supplied to the consumer who has to make the payment. It should be ensured by the AE,ESD that any debit/ Credit posted under Sundry should be with details so that the bills are checked and verified by the authorities as per Sales Manual Instruction No. 38.1.1(C). Any laxity in maintenance of Sundry Register will be viewed seriously and action may be taken by competent authority against the erring officials /officers.
- 9) The unauthorized use of electricity has been clearly defined in the HP Electricity Supply Code,2009 under sub-para 6.1 but it has been observed that the consumer who are violating the limit of contract demand from that provided in the Supply Code, the field Units are not taking any action to assess the consumer under section 126 of Electricity Act,2003. All the assessing officers notified by HP Govt. and as mentioned in Sales Manual Instruction No. 41.6 should exercise proper checks and to assess the cases in order to avoid financial implications to HPSEBL.

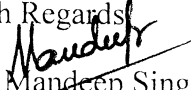
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- 10) The Sales Manual Instruction No. 6.5.3 for metering and billing arrangement in the shape of an agreement shall be approved by the concerned CE(OP) of HPSEBL after the arrangement of Sub-metering is approved by the Competent authority. However, it has been observed that the AE.ESD are issuing bills without getting approval of competent authority resulting in loss of revenue to HPSEBL. Irregularities have been noticed in case of demand charges wherein undue favour have been given to the consumer. The sub-metering arrangement at present is, however, discouraged due to billing issues but the arrangement already allowed needs to be checked and corrected immediately in order to avoid revenue loss to HPSEBL.

All the instructions pertaining to above issued earlier and included in the Sales Manual stand superseded by this Sales Circular to the above extent wherever not in line with the above amendment.

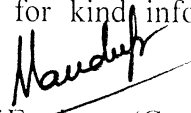
The above instructions may be followed in letter and spirit and any violation of the above shall be personal responsibility of the erring officers and officials.

Note: CEs/SEs may kindly note to read thoroughly & circulate amongst Sr.E.E./AEE/AE(Op) for strict implementation please.

With Regards

(Er. Mandeep Singh)
Chief Engineer (Comm.),
HPSEB, Vidyut Bhawan,
Shimla - 171 004.

Copy forwarded to the following for information and necessary action:-

1. The Chief Secretary-cum-Chairman, HPSEBL for information please.
2. The Secretary, HPERC, Aayog Bhawan, Block No. 37, SDA Complex, Kasumpti, Shimla-9.
3. The Chief Electrical Inspector, H.P. Govt., Block No. 29, SDA Complex, Shimla-9.
4. The Secretary, H.P. Electricity Ombudsman, Sharma Sadan, Behind Keonthal Commercial Complex, Khalini, Shimla-2.
5. The Secretary, Consumer Grievances Redressal Forum, Kasumpti, Shimla-9.
6. The Executive Director (Personnel), HPSEBL, Vidyut Bhawan, Shimla-4.
7. The Chief Accounts Officer, F&A Wing, HPSEBL, Vidyut Bhawan, Shimla-4.
8. The Chief Audit Officer, F&A wing, HPSEBL, Vidyut Bhawan, Shimla-4.
9. The Superintending Engineer (Enf. & EA)/ Superintending Engineer (Tariff & SERC) in this office.
- ✓ 10. The Superintending Engineer (IT) in this office to upload the same in the HPSEBL official website under Sales Circulars.
11. The Resident Audit Officer, HPSEBL, Shimla-4.
12. The Dy. Secretary (Law), HPSEBL, Shimla-3.
13. The Addl. Secretary-cum-PS/ Sr. PS to MD/ Directors for kind information of MD/ Directors.
14. Guard file of this office.


Chief Engineer (Comm.),
HPSEB, Vidyut Bhawan,
Shimla - 171 004.