

CHAPTER 7: UNAUTHORISED USE AND THEFT OF ELECTRICITY

7.1 Unauthorised Use of Electricity (UUE)

- (1) The Licensee shall publish the list of Assessing Officers of various districts/divisions in accordance with Section 126 of the Act prominently in all the Division Offices and the Photo ID Card issued to such officers shall indicate so.
- (2) While conducting inspection of any place or premises, the inspection team/Assessing Officer of the Licensee shall carry along with them their Photo Identity Cards. Photo ID card should be shown to the consumer before entering the premises.
- (3) Wherever possible the entire inspection of site shall be photographed and/or video-graphed and shall be used as evidence.

7.1.1 Procedure for assessment of Unauthorised Use of Electricity

- (1) If on an inspection of any place or premises or after inspection of the equipment, gadgets, machines, devices found connected or used, or after inspection of records maintained by any person, the inspection team (headed by an officer of the Licensee not below the rank of Assistant Engineer/Sub-divisional Officer) comes to the conclusion that such person is indulging in unauthorized use of electricity, the inspection team shall prepare a report on the basis of site inspection giving details such as connected load, condition of seals, working of meter and mention any irregularity noticed (such as, artificial means adopted for UUE) as per format given in Annexure-XI.
- (2) The report shall clearly indicate whether sufficient evidence substantiating the fact that UUE was found or not. The details of such evidence should be recorded in the report.
- (3) The report shall be signed by each member of the inspection team and a copy of the same shall be handed over to the consumer or his/her representative at site immediately under proper receipt. In case of refusal by the consumer or his/her representative to either accept or give a receipt, a copy of inspection report shall

- be pasted at a conspicuous place in/outside the premises and photographed. Simultaneously the report shall be sent to the consumer under registered post/speed post/courier/e-mail or any other electronic mode.
- (4) The inspection team shall submit a copy of the report to the Assessing Officer within one working day.
- (5) If the Assessing Officer suspects that the unauthorized use of electricity has taken place, he shall serve a provisional assessment order as per the Rules prescribed by the State Government within 7 days of date of inspection by hand/registered post /speed post/courier/e-mail or any other electronic mode. The provisional assessment order shall contain details of Assessing officer to whom the reply/objections should be addressed and also time, date & place at which the hearing on the objections of the consumer, if any, is to be held.
- (6) Any person served with the order of provisional assessment, may:
- (a) accept such assessment and deposit the assessed amount with the Licensee within seven days of service of such provisional assessment order, or
 - (b) submit a written objection on the date of hearing before the Assessing Officer; or
 - (c) submit a written objection alongwith relevant records with a request to the Assessing Officer for conducting second inspection of site alongwith an inspection fee of Rs. 500, within 7 working days from the date of receipt of provisional assessment order.
- (7) The Assessing Officer shall conduct second inspection of the consumer's premises on the request of the consumer provided he has deposited the inspection fee within 7 working days from the date of request.
- (8) The Assessing Officer, after carefully considering all the documents, submissions of the consumer, facts on record and the second inspection on consumer's request, shall pass, within thirty days from the date of provisional assessment order, a final speaking order as to whether the case of UUE is established or not.

- (9) In case UUE is not established, further proceedings shall be discontinued and case of UUE shall be dropped immediately.
- (10) Where it is established that there is a case of UUE, the Licensee shall immediately take appropriate action for rectifying the cause of UUE and assess the energy consumption as per the assessment formula given in **Annexure-XII** for the entire period during which such unauthorised use of electricity has taken place and if, however, the period during which such unauthorised use of electricity has taken place cannot be ascertained, such period shall be limited to a period of twelve months immediately preceding the date of inspection and prepare final assessment bill on two times the rates as per applicable tariff and serve on the consumer alongwith the final speaking order under proper receipt by hand/registered post/speed post/courier/e-mail or any other electronic mode. The consumer shall make the payment against the final assessment bill within 7 working days of its receipt. The Licensee may, taking into consideration the financial position and other conditions of the consumer, extend the last date of payment or approve the payment to be made in installments. The amount, the extended last date and/or time schedule of payment/installments should be clearly stated in the final speaking order. A copy of the final speaking order shall also be given to the consumer under proper receipt by hand/registered post/speed post/courier/e-mail or any other electronic mode.

Provided that, where it is established that there is a case of unauthorised use of electricity by way of usage of electricity for the purpose other than for which the use of electricity was authorised, the Licensee shall for the purpose of preparing the assessment bill take into consideration the actual amount of consumption recorded by the correct meter for the entire period during which such unauthorised use of electricity has taken place, and where such period cannot be ascertained, such period shall be limited to a period of twelve months immediately preceding the date of inspection. The above energy consumption shall be considered only in case if metering system is healthy, else the energy consumption shall be calculated on the basis of the formula given in **Annexure-XII**.

- (11) Final speaking order shall also contain the brief of inspection report, submissions made by consumer in his written reply and oral submissions during personal hearing, if any and reasons for acceptance or rejections of the same.

7.1.2 Miscellaneous

- (1) The imposition of charges on account of UUE shall continue till the cause of UUE is removed and verified by the Licensee as per procedure laid down above.
- (2) In case if the consumer is aggrieved by the final decision of the Licensee he may appeal to an Appellate Authority, under provisions of Section 127 of the Act as per the procedure specified in UERC (Appeal to the Appellate Authority) Regulations, 2014 amended from time to time.
- (3) In case of default in payment of the assessed amount, the Licensee shall, after giving a 15 days notice in writing disconnect the supply of electricity, remove the meter and service line.

7.2 Theft of Electricity

- (1) The Licensee shall publish the list of the Authorized Officers of various divisions, in accordance with Section 135 of the Act prominently display in all the Divisional Offices and the Photo ID Card issued to such officers shall indicate so.

7.2.1 Procedure for booking a case for Theft of Electricity

- (1) An Authorized Officer under Section 135 of the Act, *suo-moto* or on receipt of reliable information regarding theft of electricity shall promptly conduct inspection of such premises.
- (2) The inspection team of the Licensee, headed by such Authorised Officer shall carry along with them their Photo Identity Cards. Photo ID card should be shown to the consumer before entering the premises. Photo ID card of the Authorised Officer shall clearly indicate that he has been nominated as Authorized officer as per provisions of Section 135 of the Act.
- (3) The occupant of the place of search or any person on his behalf shall remain present during the search and a list of all things seized in the course of such search shall be prepared and delivered to such occupant or person who shall sign the list.

Provided that no inspection, search and seizure of any domestic places or domestic premises shall be carried out between sunset and sunrise except in the presence of an adult male member occupying such premises.

- (4) Wherever possible the process of inspection shall be photographed and video-graphed and shall be used as evidence.
- (5) The Authorised Officer shall prepare a report giving details such as connected load, condition of meter seals, working of meter and mention any irregularity noticed (such as tampered meter, current reversing transformer, artificial means adopted for theft of energy) as per format given in **Annexure-XI**.
- (6) The report shall clearly indicate whether sufficient evidence substantiating the fact that theft of energy was found or not. The details of such evidence should be recorded in the report.
- (7) The report shall be signed by the Authorized Officer and each member of the inspection team and the copy of the same must be handed over to the consumer or his/her representative/agent at site immediately under proper receipt. In case of refusal by the consumer or his/her representative/agent to either accept or give a receipt, a copy of inspection report must be pasted at a conspicuous place in/outside the premises. Simultaneously, the report shall be sent to the consumer under Registered Post.
- (8) No case for theft shall be lodged only on account of first seal on the meter missing or tampered or first instance of breakage of glass window, unless corroborated by consumption pattern of consumer and such other evidence as may be available. However, any subsequent missing or tampering of seal or breakage of glass window shall be construed as suspected case of theft of energy.
- (9) In case sufficient evidence is found to establish direct theft of energy, such officer of the Licensee, as authorised for the purpose by the Commission or any other officer of the Licensee, as the case may be, of the rank higher than the rank so authorised may, upon detection of such theft of electricity, immediately disconnect the supply of electricity and seize all material evidence including wires/cables, meter, service line etc., from the premises and such officer of the

Licensee shall lodge a complaint in writing relating to the commission of such offence in police station having jurisdiction within twenty-four hours from the time of such disconnection.

- (10) The Licensee shall conduct assessment in accordance with Clause (10) of Sub-regulation 7.1.1 dealing in un-authorised use of electricity (UUE) and serve on the consumer under proper receipt.
- (11) The Licensee, on deposit or payment of the assessed amount or electricity charges in accordance with Clause (10) above, shall without prejudice to the obligation to lodge the complaint as referred to in the Clause (9) above, restore the supply line of electricity within forty-eight hours of such deposit or payment.

7.2.2 In case of Suspected Theft

- (1) The Authorised Officer shall restore the supply through a new meter of appropriate rating. In such cases, the Licensee shall check the connected load at the premises, affix a numbered distinctive seal on the tampered meter and shall also record the particulars of the same in the report. The Authorised Officer shall record reasons of suspected theft in the premises in his report. The tampered meter shall be removed and packed for testing in the laboratory in tamper proof special meter sealing kit bag to be arranged by the Licensee. A copy of meter particular sheet of old and new meters shall be handed over to consumer or his representative.
- (2) In case of suspected theft, if consumption pattern for last one year is reasonably uniform and is not less than 75% of the consumption assessed on the basis of connected load and normative consumption as indicated for provisional billing in the tariff order, no further proceedings shall be taken and the decision shall be communicated to the consumer under proper receipt within 3 days.
- (3) If the consumption pattern for last one year is less than 75 % assessed consumption as per Clause (2) above a prima-facie case of theft is made out against the consumer. The Licensee shall, within fifteen days of inspection, serve on the consumer a show cause notice, as to why a case of theft should not be booked against such consumer giving full details for arriving at such decision.

The notice should clearly state the time and date which shall not be less than 7 days and place at which the reply has to be submitted and the designation of the person to whom it should be addressed.

7.2.3 Personal hearing in case of Suspected Theft

- (1) Within 7 working days from the date of submission of consumers' reply, the Licensee shall arrange a personal hearing, if requested by the consumer and shall serve the notice for hearing clearly stating time and date of hearing. At the request of the consumer, the hearing may be arranged for a future date but not later than 10 (ten) days from the date of filing of the objections by the consumer. In case, the consumer does not submit its reply to the notice or fails to appear on the appointed date and time, the Licensee may proceed with the matter ex-parte.
- (2) The Licensee shall give due consideration to the facts submitted by the consumer and pass, within 3 days, a speaking order as to whether the case of theft is established or not. Speaking Order shall contain the brief of inspection report, submissions made by consumer in his written reply and oral submissions during personal hearing and reasons for acceptance or rejection of the same.
- (3) In case of the decision that the case of theft is not established, no further proceedings shall be required and connection shall be restored.
- (4) Where it is established that there is a case of theft of energy, such officer of the Licensee, as authorised for the purpose by the Commission or any other officer of the Licensee, as the case may be, of the rank higher than the rank so authorised may, upon detection of such theft of electricity, immediately disconnect the supply of electricity and seize all material evidence including wires/cables, meter, service line etc., from the premises and such officer of the Licensee shall lodge a complaint in writing relating to the commission of such offence in police station having jurisdiction within twenty-four hours from the time of such disconnection.
- (5) The Licensee shall also conduct assessment in accordance with Clause (10) of Sub-regulation 7.1.1 dealing in unauthorised use of electricity (UUE) and serve on the consumer under proper receipt. The consumer shall be required to make the payment within 7 working days of its proper receipt.

- (6) The Licensee shall on deposit or payment of the assessed amount or electricity charges in accordance with Clause (5) above, the Licensee shall, without prejudice to the obligation to lodge the complaint as referred to in the Clause (4) above, restore the supply line of electricity within forty-eight hours of such deposit or payment.
- (7) On receipt of payment of assessed amount and re-connection/new connection charges as applicable, Licensee may re-energize the consumer's connection.

7.3 While making the assessment bill, the Licensee shall adjust the payments already made by the consumer for the period of the assessment bill for UUE cases only. The bill shall clearly indicate the timing, days and place where it is to be deposited. All such payment shall be made only by way of Cash/Demand Draft/Bank Pay Orders/Electronic Mode of Payment. Cheques and Promissory notes shall not be accepted.

Annexure - XI

(ref. regulation 7.1)

Inspection Report regarding Theft and Unauthorised use of Electricity

Date of Inspection		Sl. No/ (Booklet No)	
Name of the Consumer		Division	
		Circle/Zone	
Name of the User		S.C. No.	
Address		Book No.	
		Load Details	
		Contracted Load	
		Billing demand	
		Total Connected Load	
		Category/Tariff Code	
Type of Irregularity			

<input type="checkbox"/>	Unauthorized Use	<input type="checkbox"/>	Suspected Theft
<input type="checkbox"/>	Theft		

Meter Details	Status of Seals & Cable	
Meter Sl. No. _____	CT Box Seal No. _____	Found _____
Meter Make. _____		
Meter No. (Painted/Marked) _____	Meter Box Seal No	Found _____
		Found _____

Reading kWh _____	Meter Terminal Seal No _____	_____
Reading kVAh _____	Half Seal No _____	Found _____
Reading kVARh _____		_____
MDI _____		_____
Power Factor _____		
Size _____	Testing Equipment Results	
Type _____	Working of meter _____	Found _____
CT Ratio _____	Cable Status _____	Found _____

Shunt Capacitor ☐ No. of Shunt Capacitor of _____ rating
make _____ found installed in working order to maintain the power factor/ ☐ no shunt
capacitor found installed. Power factor measured _____ lagging.

Connected load details

Establishment Type: _____ Working Hours _____	
Condition of Working _____ (Specific type of factory/shop)	
Details of Seal	
Other Observations by Inspection Team:	
Consumer's Name & Signature	Signature (s) _____
	Name(s) _____
	Designation (s) _____

Annexure - XII

(ref. regulation 7.1)

Assessment of Energy in cases of Theft/Pilferage

Assessment of energy in the cases of theft/pilferage shall be done based on the following formula:

$$\text{Units assessed} = L \times D \times H \times F,$$

where 'L' is load (connected/contracted load whichever is higher) in kW where kWh rate is applicable and in kVA where kVAh rate is applicable.

'D' is number of working days per month, during which theft/pilferage is suspected and shall be taken for different categories of use as below:

(a)	Continuous industry	30 days
(b)	Non-continuous industry	25 days
(c)	Domestic use	30 days
(d)	Agriculture	30 days
(e)	Non-Domestic (continuous) Viz. Hospitals, hotels and restaurants, guest houses, nursing homes, petrol pumps	30 days
(f)	Non domestic (general) i.e. other than (e)	25 days

'H' is use of supply hours per day, which shall be taken for different categories of use as below:

(a)	Single shift industry (day / night only)	10 hrs.
(b)	Non-continuous industry (day & night)	20 hrs.
(c)	Continuous industry	24 hrs.
(d)	Non-domestic	20 hrs.
(e)	Domestic	8 hrs.
(f)	Agriculture	10 hrs.

'F' is load factor, which shall be taken for different categories of use as below:

(a)	Industrial	60%
(b)	Non-domestic	60%
(c)	Domestic	40%
(d)	Agriculture	100%
(e)	Direct theft#	100%

The working hours for the purpose of assessment in the cases of bonafide domestic use for operating domestic water pump, microwave Owens, washing machines and petty domestic appliances shall not be considered for more than one hour working per day on 100% load factor.

Assessment of energy in case of temporary connection

In the case of temporary connection the assessment for pilferage of energy shall be done as per the following formula:

Units assessed = $L \times D \times H$, where

L = Load (connected/ contracted load whichever is higher) in kW where kWh rate is applicable and in kVA where kVAh rate is applicable.

D = No. of days for which supply is used.

H = 12 hours.