

**Ref. No. CE/Comm/Multiparty/20286**

**Date: 19/07/2019**

**COMMERCIAL CIRCULAR No.320**

**Subject:** Power supply to individual entrepreneurs coming under one premises through Multi-partite agreement for Textile and Non-Textile Industries.

Commercial Circular No. 6 dt. 01/09/2005 was issued for releasing L.T. power supply to individual entrepreneurs under common shed/premises for power-looms only with multi-partite agreement.

Thereafter Commercial Circular No. 151 dt. 25/11/2011 issued wherein the powers to respective Zonal Chief Engineer were delegated for sanction and release of power supply to Power loom connections under one premises through multi-partite agreement for all HT/LT loads.

Further vide Circular No 152 dt. 29/12/2011 the multi-party arrangement was extended to all categories of Consumers.

Also, the billing methodology for multi-partite consumers was circulated vide letter dt.07/02/2014.

In order to remove the anomalies such as manual assessment and adjustment of excess demand / consumption in respect of LT multi-party consumers due to non provision of billing through IT system different methods followed for calculation of derived demand in case of multi-party and to streamline the multiparty connection process a revised circular is proposed to be issued. The revised circular will supersede all the earlier circulars.

**A)** The following separate guidelines for Textile Industries & Non- Textile Industries are issued for multiparty agreement:

| <b>Sr. No.</b> | <b>Particulars</b>                 | <b>For Textile Industries</b>   | <b>For Non- Textile Industries</b>             |
|----------------|------------------------------------|---|--|
| 1              | Applicable to                      | Textile consumers only  | All Consumers excluding Textile Consumers      |
| 2              | Consumer Type (HT / LT)            | HT or LT consumers  | HT or LT consumers                             |
| 3              | Maximum allowable group load       | No limit subject to Technical feasibility.  | No limit subject to Technical feasibility.     |
| 4              | Maximum no of Consumers in a Group | Restricted to Fifty (50) no of Consumers only.  | Restricted to Fifty (50) no of Consumers only. |
| 5              | Main Consumer                      | a) In case multiparty group having HT & LT Consumers then one of HT consumer should be nominated by group as Main Consumer. The Demand of this consumer will be derived demand.<br>b) In case of Multiparty group having all LT Consumers then HT Cubicle will be treated as Main Consumer (Notional Consumer). | Main Consumer on HT side is compulsory.        |

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| 6 | LT MD Meter    | LT MD Meter Compulsory to all LT Consumers including consumers below 27HP   | LT MD Meter Compulsory to LT Consumers including consumers below 27HP.   |
| 7 | Billing        | <p><b>For sub-consumers:</b></p> <p>All consumers in multiparty group connected on secondary shall be billed as per applicable MERC Tariff.</p> <p><b>For main consumer:</b></p> <p><b>Demand Charges</b><br/> a. <u>In case of main consumer is HT Consumer:</u> - Demand registered / consumed by the main consumer shall be equivalent to the Demand registered in the meter on High tension side less aggregate of the 75% of the Demand recorded by the individual multi-partite consumer and based on derived demand, the billing demand of the main consumer shall be determined.</p> <p>b. <u>In case of main consumer is Notional Consumer:-</u> Notional Consumer's billing demand will be equivalent to the Demand registered in the HT cubicle meter less aggregate of the 75% of the Demand recorded by the individual multi-partite consumers &amp; will be levied proportionately to all sub-consumers in proportionate to their Contract Demand and it will be billed in Rs/kVA/Month basis.</p> <p><b>Energy Charges</b><br/> Difference of units recorded on main consumer / Notional Consumer meter &amp; secondary consumers.</p> | <p><b>For sub-consumers:</b></p> <p>Billing consumers connected on secondary side shall be as per applicable MERC tariff as per demand / units recorded by individual meter.</p> <p><b>For main consumer:</b></p> <p><b>Demand Charges</b><br/> a. Demand registered / consumed by the main consumer shall be equivalent to the Demand registered in the meter on High tension side less aggregate of the 75% of the Demand recorded by the individual multi-partite consumer and based on derived demand, the billing demand of the main consumer shall be determined.</p> <p><b>Energy Charges</b><br/> Difference of units recorded on main consumer meter &amp; secondary consumers.</p> |
| 8 | Demand penalty | <p>a. <u>In case of main consumer is HT Consumer</u> - In case the derived demand of the main consumer happens to be more than the contract demand of main consumer, the main consumer shall be liable for penalty for exceeding Contract demand.</p> <p>a. <u>In case of main consumer is</u></p>  | <p>In case the derived demand of the main consumer happens to be more than the contract demand of main consumer, the main consumer shall be liable for penalty for exceeding Contract demand.</p>  |

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|  |  | <p><u>Notional Consumer:-</u> The Demand penalty will be levied proportionately to all sub-consumers in proportionate to their Contract Demand and it will be billed in Rs/kVA/Month basis.</p> |  |
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**B) Conditions for release of connection under multi party agreement (including power-loom connections):**

1. Zonal Chief Engineer is empowered to give sanction and release of connection under multi party agreement subject to guidelines mentioned in this circular.
2. All the expenditure as may be required for release of multi-partite connection will be borne by the consumer/consumers.
3. All the NOCs, permissions, if any will have to be obtained by the consumer before release of supply.
4. It will be mandatory for the Central Agency/Group of consumers to ensure that the transformer is installed in a closed room and will be accessible only to authorized MSEDCL personnel. Further a cable will have to be laid through duct in the adjoining closed room for distributing the said connections. The cable and meter room will also be under the control of MSEDCL and only authorized MSEDCL personnel will have access to the same. All the meters will be placed in the distribution room. Further the secondary side of transformer will also be sealed and necessary arrangement will have to be made for the sealing by the consumer.
5. MSEDCL shall not be responsible for any loss that may be caused to any of the individual consumers from a particular group due to failure of the said transformer or MSEDCL shall not be liable for any alternate arrangement of maintaining the power supply in such circumstances.
6. All the individual consumers from the respective groups shall have to execute multipartite agreement with MSEDCL and in case there happens to be agencies sponsoring such group of consumers, then such agency shall also be a party to multipartite agreement.
7. All the consumers availing power supply by such arrangement shall be billed as per the provisions of the tariff prevailing from time to time and shall also be liable for all such incentives/disincentives as may be applicable.
8. In case of Multiparty group having all LT Consumers, necessary undertakings from all the participants of group will be obtained for sharing the Billing demand of main consumer and demand penalty if any on proportionate basis @ Rs/kVA/Month.
9. In case of secondary consumer having load below 27 HP and exceeds his sanctioned load, then the consumer will be billed as per tariff applicable to above 27 HP consumer category as per relevant Tariff Order.
10. In addition to the above mentioned multi-partite agreement, all the consumers will also have to execute a separate agreement with MSEDCL.
11. Whenever a group of entrepreneurs is given power supply from a common transformer, these entrepreneurs shall also pay to MSEDCL the cost of installation of metering on high tension side of the said transformer.

12. In case of default in payment of energy bill by any one of the consumer from the said group and/or breach of the provisions of the tariff/conditions of supply, the disconnection of power supply to be effected at the main point of supply, which will automatically result in disconnection of power supply of all the consumers at the same time.

As stated hereinabove, all field officers are directed to take further needful actions as per above guidelines issued. The Circle offices shall scrutinize the applications for multi-party arrangement and forward the same to Zonal Chief Engineer as per the guidelines cited above.

  
**Chief Engineer (Commercial)**

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