



## VIDUYUT OMBUDSMAN FOR THE STATE OF TELANGANA

First Floor 33/11 kV substation, Hyderabad Boats Club Lane  
Lumbini Park, Hyderabad - 500 063

:: Present:: **R. DAMODAR**

Monday, the Twelfth day of June 2017

Appeal No. 17 of 2017

Preferred against Order Dt.10.03.2017 of CGRF In

CG.No: 472/2016-17 of Mahaboobnagar Circle

Between

Sri. S. Laxmi Narayana, H.No. 6-32, Peddakothapally Post, Peddakothapally (V&M),  
Nagarkurnool - 509412, Mahaboobnagar Dist. Cell: 9493603649.

... Appellant

**AND**

1. The AE/OP/Peddakothapally/TSSPDCL/Mahaboobnagar Dist.
2. The ADE/OP/Kollapur/TSSPDCL/Mahaboobnagar Dist.
3. The AAO/ERO/Nagarkurnool/TSSPDCL/Mahaboobnagar Dist.
4. The DE/OP/Nagarkurnool/TSSPDCL/Mahaboobnagar Dist.
5. The SE/OP/Mahaboobnagar Circle/TSSPDCL/Mahabobbnagar Dist.

... Respondents

The above appeal filed on 06.04.2017 coming up for final hearing before the Viduyut Ombudsman, Telangana State on 04.05.2017 at Hyderabad in the presence of Sri. S. Laxmi Narayana - Appellant and Sri. V. Suryam - AAE/OP/Peddakothapally, Sri. B. Venkatesh - ADE/OP/Kollapur and Sri. M. Madan Mohan - JAO/Sub-ERO/Kollapur on behalf of AAO/ERO/Nagarkurnool for the Respondents and having considered the record and submissions of both the parties, the Viduyut Ombudsman passed the following;

### AWARD

The Appellant runs a rice mill with SC No. 5722 00105 LT Category III. He lodged a complaint with CGRF alleging that he received a CC bill in the month of January,2017 for Rs 1,37,667/- and when enquired with, the 1st and 2nd Respondents took MRI dumps. He was not given any clarification regarding the excess bill. He was also issued a CC bill for the month of February,2017 for Rs 1,10,471/- without giving any clarification.

The Appellant claimed that these monthly bills were paid by him to avoid disconnection of the service connection.

2. The 1st Respondent AE/O/Peddakothapally through letter dt.3.3.2017 stated that the contracted load of the Appellant was 75 HP and whereas, the Appellant has exceeded CMD during the months of January and February,2017. In the month of January,2017 the connected load was 137.07 HP and RMD was 102.8 KVA. In the month of February,2017, the connected load was 11.67 HP and RMD was 83 KVA. Since the Appellant had exceeded the contracted load and the maximum demand, he was levied penalty representing the excess energy charges and fixed charges. As per the request of the Appellant, the CT meter was tested by M&P wing who found the meter healthy.

3. The JAO/Sub-ERO/Kollapur representing the 3rd Respondent/AAO/ERO/Nagar Kurnool stated that the Recorded Maximum Demand for January,2017 and February,2017 was 137.07 HP and 110.67 HP respectively and the CC charges were prepared on HT side due to increase in RMD of more than 100 HP. The fixed charges for these months were Rs 58,246.50 and Rs 42,802.50.

4. Before the CGRF, the 1st Respondent/AE/O/Peddakothapally repeated what he stated in his letter dt.3.3.2017 while the Appellant reiterated his allegation of excess bills even though he was consuming power after complying with all the requirements of the rules.

5. After hearing and on consideration of the material placed on record, the CGRF observed that the CC charge bills were prepared on HT side due to increase of MD more than 100 HP and therefore, the fixed charges were increased for the months of January,2017 and February,2017. The Respondents verified the regular bills of the service connection and observed that the load exceeded in the month of January,2017 to 102.8 KVA/137.07 HP and in February,2017 as 83.00 KVA/110.67 HP properly, with a direction to the Respondents 2nd and 3 to explain these bills and collect the amount from the Appellant by following the due procedure, through the impugned orders.

6. Aggrieved and not satisfied with the impugned orders, the Appellant preferred the present Appeal alleging that he was getting excess bills, which required correction. In the Appeal, the JAO/Sub-ERO/Kollapur representing the 3rd Respondent AAO/ERO/Nagarkurnool through letter dt.20.4.2017 stated that the contracted load of

the service connection in question is 75 HP and the RMD/HP Values for the month of January,2017 were 102.80 KVA/137.07 HP and for the month of February,2017 the values were 83.00 KVA/110.67 HP. He stated that the CC bills with increased fixed charges as per HT category I (11 Kv supply) for the years 2015-16 w.e.f. 1.4.2015 under Clause 3.1.iv were issued. As per the tariff conditions, if the consumption exceeds 75 KVA(1KVA=1KW) such excess demand shall be billed at the demand charges prescribed under HT Category - I (11 KV supply) and as per Clause 12.3.2 of GTCS. He submitted EBS statement showing excess periodical consumption in the months of January and February, 2016 also.

7. The 1st Respondent through letter dt.28.4.2017 submitted about issue of CC bills with fixed charges,customer charges, electricity duty and about the Appellant drawing more than the contracted load and drawing excess power than the contracted load during the months of January and February,2017 and about the Appellant being levied penalty and about testing of the CT meter by the M&P wing and DPE wing at the request of the Appellant and about finding the meter healthy and about booking of a development charges case by the DPE wing, justifying the extra charges in the CC bills.

8. In view of the rival contentions and facts, mediation has not been successful and therefore, the matter is being disposed of on merits.

9. On the basis of material on record, the following issues arise for determination:

1. Whether issue of CC bill for Rs 1,37,667/- for the month of January,2017 and issue of CC bill for Rs 1,10,471/- for the month of February,2017 as stated by the 1st Respondent in his letter dt.28.4.2017 is legal and sustainable?
2. Whether there is any possibility of the excess drawal of power, when capacitors are fixed?
3. Whether Power Factor also would be a reason leading to excess RMD?
4. Whether the impugned orders are liable to be set aside?

**Heard.**

**Issues 1 to 4**

10. Power factor can also be considered as a reason for recording excess RMD.The series of P.F's recorded by seeing the bills issued in the months November and

December,2015, January and February,2016 are 1.00,0.96,0.91 and 0.85 which reflects the cause of excess RMD in the months of January and February,2016. The reason behind poor P.F can be attributed to non working or non availability of capacitors during that period.

11. When the working of the capacitors is optimum, the reasons for excess RMD over connected load are negligible, except when the working capacitor available is not rated as required for such connected load as prescribed in Appendix VIII(1) of GTCS.

**FOR H.T.AGRICULTURAL CONSUMERS**

Every H.T. Agricultural Consumer using induction motors shall install L.T.Shunt capacitors of specified rating as given below:

S.No.	Rating of Individual Motor (in HP)	KVAR rating of L.T.Capacitors for various R.P.M of motors			
		750 RPM	1000 RPM	1500 RPM	3000 RPM
1.	Up to 50	15	15	12	10
2.	60	20	20	16	14
3.	75	24	23	19	16
4.	100	30	30	24	20
5.	125	39	38	31	26
6.	150	45	45	36	30
7.	200	60	60	48	40

If the capacitors are not rated as prescribed above or non regular maintenance of the induction motors as required, there is a possibility of excess drawal of power.

12. The Service Connection of the Appellant bearing SC No. 5722 00105 Category III has contracted load of 75 HP and connected load of 56.25 KVA. The Respondents billed the CC charges on the HT side due to increase in RMD i.e. more than 100 HP. The consequent fixed charges for the month of January,2017 with RMD 102.8 KVA/137.07 HP was Rs 58,246.50 and for the month of February,2017 with RMD 83 KW/116.7 HP was Rs 42,802. The Appellant paid these amounts reluctantly to avoid disconnection. The Appellant has requested for review of the bill and redressal of his grievance.

13. Sub Clause IV of Clause 9.53 of the Tariff Order 2016-17 permits HT billing as follows:

“If the recorded demand of any service connection under this Category (Category -III) exceeds the 75 KW(1KVA = 1KW), such demand shall be billed at the demand charge prescribed under HT-I(11 KV Supply).

14. Similarly Clause 12.3.3.2(i) of the GTCS provides for HT billing as follows:

“These services shall be billed at the respective HT Tariff rates from the consumption month in which the un-authorized additional load is detected. For this purpose, 80% of Connected load shall be taken as billing demand. The quantity of electricity consumed in any month shall be computed by adding 3% extra on account of transformation losses to the energy recorded in LT meter.”

15. The DISCOM issued the CC bills to the Appellant, the details of which are shown below:

	January,2017	February,2017
Fixed Charges	Rs 58,246.50	Rs 42,082.50
Energy Charges	Rs 77,027.70	Rs 65,026.85
Customer Charges	Rs 1,685.00	Rs 1,685.00
Electricity Duty	Rs 561.90	Rs 474.36
ED Int	Rs 1.36	Rs 2.59
Additional Charges	Rs 150.00	Rs 479.34
Total CC bill	Rs 1,37,667/-	Rs 1,10,417/-

16. The Appellant service is basically a rice mill categorised under LT Category III with contracted load of 75 HP. On the request made by the Appellant for testing of the CT meter, the M&P wing tested the meter and found it healthy. The doubt raised on the defectiveness of the meter is eliminated. The rice mill consumption is a seasonal one i.e. mainly during January and February of each year. From the periodical readings seen from the Electronic Billing System (EBS), it is seen that the consumption/RMD recorded is higher than the contracted demand during January and February months of each year compared with other months of the years 2016 and

2017. Hence, the usage pattern of supply commensurates with the normal rice mills consumption and there is no abnormality observed. The MRI dumps data specifically gives the instance of time Recorded Maximum Demand (RMD). In the present case, on 29.12.2016 at 11.00 PM, the Recorded Maximum Demand was 102.80 KVA and on 20.01.2017 at 10.00 Am the recorded maximum demand was 78 KVA.

17. The above facts confirm that there is no discrepancy in recording RMD higher than the connected load. The appellant strongly opposed the higher reading on the ground that when he has connected load of not more than 75 HP, he questioned how could the Recorded Maximum Demand be 137 HP, which is almost twice the connected load, which in the face of record by way of MRI dumps data, is untenable.

18. To understand the query of the Appellant, it is necessary to understand actually what is the maximum demand. Clause 2.2.35 of the GTCS defines maximum demand as follows:

“maximum demand” means twice the maximum number of Kilovolt-ampere hours (kVAH) delivered at the point of supply to the consumer during any consecutive 30 minutes during the Month in respect of consumer having contracted demand of less than 4000 kVA. However for the consumer having contracted demand of 4000 kVA and above the maximum demand means four times the maximum number of Kilo volt ampere hours (kVAH) delivered at the point of supply to the consumer during any consecutive 15 minutes during the Month.

19. From the above definition, it is clear that the maximum demand measured in KVA (Kilovolt- Ampere) is product of KVA and the time duration in Hours (KVAh) delivered at the point of supply during the month. Therefore, when the usage is more, the RMD will exceed the connected load.

20. The levy of fixed charges by the DISCOM is based on Sub-Clause IV of Clause 9.53 of the Tariff Order 2016-17 which says that if the recorded demand of any Service Connection under this (LT-III) exceeds 75 KVA (KVA=KW), such excess demand shall be billed at the demand charges prescribed under HT-I(11 KV Supply) and Clause 12.3.3.2(i) of the GTCS which is tenable. The issues are answered accordingly.

21. In the result, the Appeal is disposed of as under:

- a. The CC bills for January,2017 and February,2017 for Rs 1,37,667/- and Rs 1,10,471/- respectively are found legal and tenable.
- b. There is a possibility of excess drawal of power in case of non rated capacitors or non regular maintenance of induction motors.
- c. The impugned orders are confirmed accordingly.

22. The licensee shall comply with and implement this order within 15 days for the date of receipt of this order under clause 3.38 of the Regulation 3 of 2015 of TSERC.

Typed by CCO, Corrected, Signed and pronounced by me on 12th day of June, 2017.

Sd/-

**VIDYUT OMBUDSMAN**

1. Sri. S. Laxmi Narayana, H.No. 6-32, Peddakothapally Post, Peddakothapally (V&M),Nagarkurnool - 509412, Mahaboobnagar Dist. Cell: 9493603649.
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5. The DE/OP/Nagarkurnool/TSSPDCL/Mahaboobnagar Dist.
6. The SE/OP/Mahaboobnagar Circle/TSSPDCL/Mahabobbnagar Dist.

**Copy to:**

7. The CGRF - 1, TSSPDCL,GTS Colony, Vengal Rao Nagar, Erragadda, Hyderabad.
8. The Secretary, TSERC,5th Floor, Singareni Bhavan, Red Hills, Lakdikapool, Hyderabad.