



VIDYUT OMBUDSMAN FOR THE STATE OF TELANGANA
First Floor 33/11 kV substation, Hyderabad Boats Club Lane
Lumbini Park, Hyderabad - 500 063

:: Present:: Smt. UDAYA GOURI

Wednesday the Sixth Day of June 2018

Appeal No. 29 of 2018

Preferred against Order Dt. 09.04.2018 of CGRF
in CG.No.1106/2017-18/Secunderabad Circle

Between

St. Martins High School, Geeta Nagar, Ferozguda, Land Mark -
Near BBR Hospital, Secunderabad - 11. Cell: 7095122555.

... Appellant

AND

1. The ADE/OP/RR Nagar/TSSPDCL/Hyderabad.
2. The DE/OP/Bowenpally/TSSPDCL/Hyderabad.9440812830
3. The SE/OP/Secunderabad Circle/TSSPDCL/Hyderabad. 7901093521.

... Respondents

The above appeal filed on 27.04.2018, coming up for final hearing before the Vidyut Ombudsman, Telangana State on 17.05.2018 at Hyderabad in the presence of Sri. T. Srinivas Prasad on behalf of the Appellant and Sri. Ch. Rajalingam - ADE/OP/RR Nagar for the Respondents and having considered the record and submissions of both the parties, the Vidyut Ombudsman passed the following;

AWARD

This is an Appeal filed by the Appellant by name Sri. Sukhdev Singh on behalf of his tenant M/s. St. Martins High School having consumer number SC No. SZ 050947 stating that he has lodged a complaint before the CGRF vide CG No. 1106/2017-18 seeking for redressal of reducing the back billing amount to one year instead of the period from 01.04.2013 to 05.01.2018 to the above service claiming that the same comes under Category -IIB i.e. Non Domestic with 50 units per month and that on 05.01.2018 the DE inspected their Service connection and issued back billing case No. DPE/HYN/SDO2/7861/18 and that since their school is functioning on no profit serving the slum area at Balanagar, Ferozguda, the back billing issued by the Respondents is

not only unjust but is also beyond their capacity and that the CGRF disposed the said complaint filed by him by giving a finding in favour of the Respondents herein. As such aggrieved by the said order the present appeal is filed by him seeking for the relief sought by him.

2. In view of the said appeal filed as mentioned above the Respondents being represented by ADE/OP/R.R.Nagar stated that DE/DPE inspected the premises on 05.01.2018 and found that the Appellant exceeded 10KW load, hence KVAH billing is proposed and additional load was recorded on 20.09.2017 with Contracted load of 15 KW. Hence, back billing was done for the difference of KVAH and KWH readings and fixed charges to be collected from Sep,2007. And as such vide Lr.No. 1531 dt.08.02.2018 assessed the revenue loss to the Company for an amount of Rs 2,40,207/- and as such levied the same for the period from 01.04.2013 to 05.01.2018.

3. On the basis of the said averments of both sides the CGRF vide CG No. 1106/2017-18 Secunderabad Circle dt.09.04.2018 issued the following directions:

“Therefore, when the back billing was issued only with regard to the difference of KVAH and KWH billing for more than 10 KW from 09/2007 the Licensee has rightly issued back billing. However, the Respondents have issued the back billing amount from 01/2013 to 05.01.2018 instead of date of release of additional load of 09/2007. Therefore the consumer is not entitled to further reduction of back billing period for one year instead of 5 years and liable to pay the consumer for the period from 01.04.2013 to 05.01.2018. Therefore, this Forum cannot interfere the FAO passed by the DE/OP/Bowenpally dt.17.03.2018. Hence, the point is answered accordingly in favour of the Licensee and against the Consumer. Therefore, the complaint filed by the complainant dt.23.02.2018 is hereby rejected and the consumer is hereby directed to pay the FAO amount of Rs 2,40,208/- to avoid disconnection of service.”

Hence on the basis of the said order the Appellant preferred the present appeal stating that the school is serving the slum area of Balanagar, Ferozguda on no profit basis and that in view of the lapse on the part of the department officials the back billing from 2013-2017 is unjustified particularly since they are paying the bills regularly. They also contended that demanding a lump sum money to be paid in one go

is an over burden to their schools. Hence requested that the assessment period for back billing be made for one year only. They further stated that they are not aware of KVAH or KWH billing and that the departmental staff used to take the readings and issue bills for the same as such they were making the payments on the basis of the said bills issued by the Respondents. They pointed out that the Respondents failed to update the correct load connected to their service in their records for 5 years which is a lapse on their part and yet issuing a bill for the entire period asking them to pay the said amount in one lump sum is not only unreasonable but is also unjustified and as such prayed that the said back billing be restricted to one year and the remaining period be waived in view of their financial difficulties.

4. The Respondents being represented by Respondent No.1 i.e. ADE/OP/RR Nagar vide his letter bearing No. 230 Dt.17.05.2018 made his written submissions stating that the service of the Appellant was released under Category II for a contracted load of 3 KW on 18.06.1987 and subsequently the Appellant enhanced the contracted load from 3 KW to 15 KW on 22.09.2007 with CT meter, but the bills were being issued with the previous load i.e. 3 KW wrongly instead of 15 KW that was sanctioned yet they have restricted the back billing from 01.04.2013 to 05.01.2018 instead of the date of release of the additional load i.e. 09/2007 and contended that they have themselves reduced the back billing period for the period from 2007 to 2013 yet the Appellant is seeking for further reduction of back billing for one year which he is not entitled to as such claimed that the Appellant is liable to pay the back billing amount of Rs 2,40,000/- for the period from 01.04.2013 to 05.01.2018.

5. Hence in view of the above averments on both sides the point in issue is :

1. Whether the back billing assessment by the Respondents can be revised?
2. To what relief?

Issue No. 1

6. Admittedly the Appellant is the owner of the premises in which the service connection No. SZ 050947 is located and that the said service is being used by St. Martins High School in the capacity of the tenant of the Appellant. It has also come on record that the Appellant was originally provided with service under Category II for a contracted load of 3 KW on 18.06.1987. And later on the request of the Appellant

the consumer contracted load was enhanced from 3 KW to 15 KW on 22.09.2007. It is also admitted that on the inspection of the said service connection on 05.01.2018 and found that though the contracted load from 3 KW to 15 KW was enhanced from 22.09.2007 the billing was restricted to 3 KW instead of 15 KW. The representations on both sides also admitted that the Appellant has been paying the bills regularly as per the bills issued by the Respondents and that the defect in noting the consumption of the Appellant was on the part of the staff of the Respondents.

7. Hence in the said circumstances it is found that the Hon'ble Commission on the proposals of the Licensees introduced the KVAH based billing from the Tariff Order of FY 2011-12, as per the Clause 93. Wherein, for all the HT consumers and LT consumers whom trivector meters have been provided for. This change of billing in KVAH units was not incorporated in the Appellant's service connection due to following lapse from the officials.

The Appellant service connection contracted load was enhanced from 3 KW to 15 KW consequently, the LT trivector meter was replaced on 22.09.2007. The change of meter and enhancement of the contracted load of 15 KW shall have to be updated in the billing records. Due to negligence of the officials the required step was not taken. Hence, the service connection continued to be billed as of 3 KW contracted load, thereby the monthly consumption was billed under KWH units, until the inspection of the DE/DPE on 05.01.2018. From the Tariff Order FY 2011-12, as per Clause 93, all the LT consumers whom trivector meters have been provided shall be billed under KVAH units. The KVAH billing is introduced to over compensate the reactive power requirement to make doubly sure that KWH is as close as to KVAH and to improve system efficiencies and to reduce losses if unity power factor is achieved. Hence, the KWH consumption would be less than the KVAH consumption (depends upon the consumers power factor). Since the KVAH billing was not implemented as mandated by the Tariff Order for FY 2011-12, the difference of units between KVAH and KWH consumption have been billed.

Whether the back billing is rightly assessed for 5 years :

The proceeding No. APERC/Secy/96/2014 dt.31.05.2014, amended the General Terms and Conditions of Supply for Clause 7.5.1.4.4, wherein, the assessment shall be made for the entire period during which the status of defective meter can be clearly

established, however, the period during which such status of defective meter cannot be ascertained, such period shall be limited to a period of 12 months immediately preceding the date of inspection. Here in this case on record the said service connection contracted load was enhanced to 15 KW on 22.02.2007. The Tariff Orders mandates KVAH billing for all the LT consumers having LT Trivector meters i.e., from FY 2011-12, here the assessment was taken from 04/2013. Hence, as per the amended Clause 7.5.1.4.4 the defectiveness is established and the licensee is entitled to claim the revenue loss to the Licensee by back billing to the entire period and not one year. Though the KVAH billing was initiated since FY 2011-12, the assessment was taken from 01.04.2013.

8. Whether there is scope for revision of the back billing assessment?

The following is the assessment calculation sheet of the back billing in case No. DPE/HYN/SD02/7861/18.

Contracted load	15000 W	Connected load	18300 W
Assessment from period	01.04.2013	Assessment to period	05.01.2018
Note:	Difference of KWH and KVAH = Rs 1,43,311/- Fixed charges amount from 09/2007 = Rs 96,000/- Total = Rs 2,39,311/-		
Category for which supply is being used	LT II(B) - Non Domestic/ Commercial - above 50 units/month		
Misused Load	Null w		
Units recorded	121267 Units	Units Assessed	136189 Units
Units lost	14922 Units		
Amount	Rs 2,39,311/-		
Incidental Charges	Rs Null		
Reconnection Charges	Rs Null		
Electricity duty charges	Rs 896/-		
Total amount	Rs 2,40,207/-		

9. From the FY 2012-13 Tariff Order, as per Clause 178, Fixed charges on LT Category II(B) - Non Domestic/Commercial was introduced by the Commission which is reproduced here under:

Clause 178: *In an effort to introduce two part tariff as general policy for better revenue recovery and also load monitoring by Licensees, the Commission has decided to levy fixed charges during FY 2012-13 at Rs.15/kW subject to a minimum of Rs.15/- per month on LT-II(B):Non Domestic/Commercial with contracted load above 500W.*

Subsequent to the above said Tariff Order, the Hon'ble Commission levied the fixed charges in the following years as stated below:

Sl.No.	Tariff Order	Fixed Charges for LT-II Consumers
1.	2012-13	Rs 15/KW
2.	2013-14	Rs 50 /KW
3.	2014-15	Rs 50 /KW
4.	2015-16	Rs 53 /KW
5.	2016-17	Rs 60 /KW
6.	2017-18	Rs 60 /KW

10. It is to be noted that the assessment for the fixed charges was levied from 09/2007 to an amount of Rs 96,000/-, whereas the liability of fixed charges was first introduced by Hon'ble Commission since 2012-13, as per Clause 213.1.2.2, in order to introduce two part tariff, earlier to this there were no fixed charges for Category II services. Hence, the levy of fixed charges since 09/2007 is not in line with the Tariff Orders issued by the Commission. Hence, there shall be direction to the Respondents to revise the amount of fixed charges levied of Rs 96,000/-, based on the above given fixed charges tariff for the respective Tariff year.

11. In view of the plea of the Appellant, that they have financial difficulties and imposing huge amount at lumpsum is unjustified, they are directed to pay revised assessment amount at 10 monthly instalments as per the amended/substituted Clause

9 of Regulation No. 7/2013, starting from the CC bill of June,2018 and the Appellant would have to pay the entire due amount as shown above apart from facing the consequent consequences in case of his failure of even one instalment.

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

TYPED BY Clerk Computer Operator, Corrected, Signed and Pronounced by me on this the 6th day of June, 2018.

Sd/-

Vidyut Ombudsman

1. St. Martins High School, Geeta Nagar, Ferozguda, Land Mark -
Near BBR Hospital, Secunderabad - 11. Cell: 7095122555.
2. The ADE/OP/RR Nagar/TSSPDCL/Hyderabad.
3. The DE/OP/Bowenpally/TSSPDCL/Hyderabad.9440812830
4. The SE/OP/Secunderabad Circle/TSSPDCL/Hyderabad. 7901093521

Copy to :

5. The Chairperson, CGRF, Greater Hyderabad Area, GTS Colony,
Vengal Rao Nagar, Erragadda, Hyderabad.
6. The Secretary, TSERC, 5th Floor Singareni Bhavan, Red Hills, Lakdikapul, Hyd.