



VIDYUT OMBUDSMAN FOR THE STATE OF TELANGANA

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

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

Tuesday, the Fourteenth Day of June 2016

Appeal No. 30 of 2016

Preferred against Order Dt. 28-03-2016 of CGRF In

CG.No: 128/2016 of Mahaboobnagar Circle

Between

M/s Sheela Ashok Rice Industry, Represented by its Proprietor,
Sri. S. Ashok Kumar, Dam Road, Gadwal, Mahaboobnagar Dist.
Cell No. 94402 11969.

... Appellant

AND

1. The SE/OP/MBNR Circle/Mahaboobnagar Dist.
2. The DE/OP/Gadwal/TSSPDCL/Mahaboobnagar Dist.
3. The ADE/OP/Gadwal/TSSPDCL/Mahaboobnagar Dist.
4. The AAE/OP/Gadwal Town/TSSPDCL/Mahaboobnagar Dist.

... Respondents

The above appeal filed on 17.05.2016, coming up for hearing before the Vidyut Ombudsman, Telangana State on 09.06.2016 at Hyderabad in the presence of Sri. S. Ashok Kumar - Appellant and Sri. Abdul Saleem - AAO/ERO/Gadwal, Sri. T. Yadagiri - ADE/OP/Gadwal, Sri. B. Srinivasulu DE/OP/Gadwal for the Respondents and having considered the record and submissions of both the parties, the Vidyut Ombudsman passed the following;

AWARD

The Appellant is a Rice mill at Gadwal with SC No. 060 811581 under LT Category III with contracted load of 74 HP. The Appellant claimed that for the months of January and February 2016, the Appellant received excess bills for Rs 30,414/- and Rs 30,044/- respectively beside the regular bill. On enquiry, the Appellant came to know that the Recorded Maximum Demand has exceeded CMD

and therefore, fixed charges were levied. The Appellant claimed that it is a Small Scale Industry with seasonal work and due to supply of high voltage of 480, 490 as against regular 440 volts, the load got increased and requested for testing of CTPT. He lodged a complaint seeking waiver of fixed charges before the CGRF.

2. The AAO/ERO/Gadwal through his letter dt.10.3.2016 stated that RMD/HP values of the Appellant during the month of Jan,2016 and February,2016 have been found as 82.20 KVA/110.19 HP and 81.20KVA/108.85HP and therefore, CC bills were prepared on HT side in view of increase of RMD which is more than 100 HP over the CMD.

3. Before the CGRF, the Appellant pleaded that he is liable to pay LT tariff and not HT tariff and whereas, the AAO/ERO/Gadwal reiterated what he stated in his letter dt.10.3.2016.

4. On the basis of the material placed on record, the CGRF simply directed the Respondents to collect the fixed charges as the RMD exceeded CMD, without mentioning the provisions of the Tariff Order/GTCS under which the demand has been made.

5. Aggrieved and not satisfied with the impugned orders, the Appellant preferred the present Appeal claiming that the Appellant is a Small Scale Industry and that there was drought in the area resulting in closure of many Small Scale Industries and that in the Appellant industry, no extra motors were fixed and no extra power was used and therefore, he sought LT billing instead of HT billing for the 2 months.

6. The AAO/ERO/Gadwal submitted a report regarding Energy Billing System(EBS), consumption billing, collection and arrears particulars during the period from 1.1.2015 to 8.6.2016 showing recording of RMD exceeding CMD for the months of January and February,2016 and regarding billing the consumer in HT category when the consumption crossed 100HP.

7. The efforts at mediation have not succeeded, because the Appellant has been insisting on LT billing and whereas, the Respondents stood their ground.

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

- i. Whether HT billing for the months of Jan and Feb, 2016 as against LT service of the Appellant is sustainable?
- ii. Whether the Appellant is entitled to installments.?
- iii. Whether the impugned orders are liable to be set aside?

Issue 1 to 3.

9. The Appellant rice mill is a Small Scale Industry according to the Appellant. It is a LT category III industry with contracted load of 74 HP, which is admitted. The Appellant claimed that for the months of January and February, 2016, the Respondents issued 2 separate bills for fixed charges of Rs 32,616/- and Rs 32,220/- which are liable to be set aside. The Appellant has opposed the levying of fixed charges by the Respondents as per the rates under HT-I category, which was adopted for 2 months i.e., January and February, 2016 due to increase of RMD over 100 HP/75 KVA.

10. The Respondents asserted that the Appellant consumed RMD more than CMD and therefore, the Appellant was levied HT charges. According to them, the RMD for the month of January, 2016 is $82.20(\text{KVA}) = 110.19 \text{ HP}$ and for the month of February, 2016 RMD is $81.20(\text{KVA}) = 109.85 \text{ HP}$. The Appellant is not denying these figures, but before the CGRF he claimed that there was high voltage of 480, 490 as against the prescribed 440 volts resulting in increased recording of energy. He raised doubts on working of CTPT/metering setup, insisted on testing of CTPT before the CGRF and has not insisted on testing of CTPT in the Appeal. The allegation on CTPT/ metering setup is not appropriate, in view of the consumption pattern of the appellant for the reasons that a) generally the season for Rice mills taking full load is from November to February. Hence the RMD recorded was higher in January & February 2016 b) As per the billing pattern of the Appellant, the RMD for January & February 2015 was 103 HP & 107 HP respectively. Thus the recorded consumption in the meter is in line with the consumption pattern of the Appellant. Still if the Appellant has doubts, he is at liberty to apply for testing of meter by paying the specified amount.

11. As far as billing LT service under HT I Category is concerned, the Respondents are relying on Clause 3 of LT category III (Industry Category) sub clause 3 (iv) of the tariff order 2015-16 which says that “ **if the recorded demand of any service connection under this category exceeds the 75 kVA (1 kVA = 1 kW), such excess demand shall be billed at the demand charge prescribed under HT**

Category-I (11 kV supply) to impose demand charges.” The CMD of the Appellant is 74 HP LT category III. In the month of January,2016 and February,2016 the RMD(KVA) was 82.20/110.19 HP and 81.20 KVA/108.85 HP respectively. This figure is disclosed in the EBS of ERO/Gadwal for the months of January,2016 and February,2016. The Appellant has not denied this consumption for 2 months, even though he insisted on getting the CTPT tested before the CGRF. The Respondents have clearly established while acting under Clause LT - III (iv) of Tariff Order 2015-16, issuing the two bills for fixed charges Rs 32,616/- and Rs 32,220/- respectively for January and February,2016 based on the calculation of the Tariff on HT side when RMD exceeded 100 HP/75 KVA. The Respondents acted legally by following the procedure and there is no illegality in the billing.

12. The appellant alternatively sought installments to pay these fixed charges on the ground that the Appellant is a Small Scale Industry and a seasonal one and because of drought, there was less work and less income. Keeping in view the plea of the Appellant and the facts and circumstances of the case, the Appellant is found entitled to pay the fixed charges by way of installment. Under Clause 8.2.3 of GTCS and under amended clause 4.6.1 (by Regulation 7/2013) of Regulation 5/2004, the facility of installment is provided. Accordingly, the Appellant is found entitled to pay the fixed charges for the months of January and February,2016 amounting to Rs 32,616/- and Rs 32,220/- in 5 equal installments starting from the month of July,2016.

13. The Impugned orders are devoid of reasons for the conclusion. The consumer would not know on what basis the CGRF passed direction to the Respondents to collect the fixed charges. Issues 1 to 3 are answered accordingly.

14. In the result, the Appeal is disposed of holding that:

- i. the claim of the Appellant that billing of fixed charges under HT category when the Appellant is a LT consumer is not maintainable and tenable and billing by the Respondents for fixed charges when RMD exceeded CMD above 100 HP, under HT I category is found to be legal and sustainable.
- ii. The Appellant is found liable to pay the fixed charges of Rs 32,616/- and Rs 32,220/- levied for the months of Jan,2016 and Feb,2016 which shall be paid in 5 equal installments starting from July, 2016 and in case of breach of the condition, the entire amount shall become due.
- iii. the impugned orders though reached the correct conclusion, lacked reasons and therefore unsustainable.

15. This award shall be implemented within 15 days of its receipt at the risk of penalties as indicated in clauses 3.38, 3.39, and 3.42 of the Regulation No. 3/2015 of TSERC.

Typed by CCO, Corrected, Signed and Pronounced by me on this the 14th day of June, 2016.

Sd/-

VIDYUT OMBUDSMAN

1. M/s Sheela Ashok Rice Industry, Represented by its Proprietor,
Sri. S. Ashok Kumar, Dam Road, Gadwal, Mahaboobnagar Dist.
2. The SE/OP/MBNR Circle/Mahaboobnagar Dist.
3. The DE/OP/Gadwal/TSSPDCL/Mahaboobnagar Dist.
4. The ADE/OP/Gadwal/TSSPDCL/Mahaboobnagar Dist.
5. The AAE/OP/Gadwal Town/TSSPDCL/Mahaboobnagar Dist.

Copy to:

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

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