

### BEFORE THE VIDYUT OMBUDSMAN FOR THE STATE OF TELANGANA

First Floor 33/11 kV Substation, Beside Hyderabad Boat Club Lumbini Park, Hyderabad - 500 063

# PRESENT : SRI MOHAMMAD NIZAMUDDIN VIDYUT OMBUDSMAN

# SATURDAY THE THIRTIETH DAY OF MARCH TWO THOUSAND AND TWENTY FOUR

# Appeal No. 60 of 2023-24

#### Between

M/s. Sunder Ispat Ltd., represented by Sri Girish Kumar Sonthalia, Director, #2-1-41, Tobacco Bazar, Secunderabad - 500 003. Cell: 9246523395.

.....Appellant

### AND

- 1. The Assistant Divisional Engineer/Operation/Kothur/TSSPDCL/Ranga Reddy District.
- 2. The Divisional Engineer /Operation /Shadnagar/TSSPDCL/Ranga Reddy District.
- 3. The Senior Accounts Officer/Operation/Rajendra Nagar Circle / TSSPDCL /Ranga Reddy District.
- 4. The Superintending Engineer/Operation/Rajendra Nagar Circle / TSSPDCL /Ranga Reddy District
- 5. The Chief General Manager/Commercial/Corporate Office / TSSPDCL /Hyderabad.

..... Respondents

This appeal is coming on before me for the final hearing on 28.03.2024 in the presence of Sri Ravinder Prasad Srivatsava - authorised representative of the appellant and Sri Chandramouli - JAO/OP/Rajendra Nagar Circle for the respondents and having stood over for consideration till this day, this Vidyut Ombudsman passed the following:-

## **AWARD**

This appeal is preferred aggrieved by the Award passed by the Consumer Grievances Redressal Forum - Greater Hyderabad Area (in short 'the Forum') of Telangana State Southern Power Distribution Company Limited (in short 'TSSPDCL') in C.G.No.286/2023-24/Rajendra Nagar Circle dt.16.02.2024, rejecting the complaint.

# CASE OF THE APPELLANT BEFORE THE FORUM

2. The case of the appellant before the learned Forum is that the respondents have wrongly claimed a sum of Rs.39,44,230/- for the period from December 2019 to July 2023 billing months in respect of the Service Connection No. H.T. RJN 604 of the appellant. Hence it is prayed to issue revised bills till date with interest @ 24% p.a., and adjust the said amount from the date of payment till the date of adjustment.

### AWARD OF THE FORUM

- 3. The learned Forum has rejected the complaint of the appellant on the ground that earlier the complainant preferred C.G.No.201/2023-24 in respect of the same dispute which was rejected and the learned Forum has no power to review its Award.
- 4. Aggrieved by the impugned Award of the learned Forum, the present appeal is preferred, contending among other things, that the Hon'ble Telangana State Electricity Regulatory Commission (in short 'the Hon'ble Commission') vide Proceedings No. TSERC/Secy/47/2022 dt.19.10.2022

amended General Terms and Conditions of Supply (in short 'GTCS') Clause No.3.2.2.3 and added Sub clause No. (vi) and determined that in case of consumer categories, for whom the voltage wise tariff is applicable the Company shall levy the tariff as per the actual supply voltage. In view of this classification the appellant is entitled for the benefit under Clause 7.87 of Tariff Order dt.27.03.2018 for the FY 2018-19. It is accordingly prayed to set aside the impugned Award passed by the learned Forum dated 16.02.2024 and declare the claim of Tariff rate of 11 kV on energy consumed instead of 33 kV tariff by respondent No.3 as illegal, consequently direct the respondents to revise the CC bills from December 2019 to July 2023 billing months duly applying the tariff rates of CC charges of 33 kV line and refund Rs.39,47,320/along-with interest @ 24% p.a., from the date of payment till its refund as per Clause 4.7.3 of Regulation 5 of 2004 etc.,

## WRITTEN SUBMISSION OF THE RESPONDENTS

5. In the written reply filed by respondent No.4 before this Authority, it is, inter-alia, submitted that as per the tariff conditions and GTCS Clauses 3.2.2.1 and 3.2.2.2, the required Contracted Maximum Demand (in short 'CMD') to avail the supply at various levels i.e.11 kV, 33 kV, 132 kV or 220 kV, on common feeder and independent feeder are as under:-

Voltage level	Independent Feeder	Common Feeder
11 kV	Upto 2500 kVA	Upto 1500 kVA
33 kV	2501 kVA to 10000 kVA	1501 kVA to 5000 kVA
132 kV or 220 kV	Above 10000 kVA	Above 5000 kVA

As per the tariff conditions specified above, the service is to be billed under 11kV instead of 33 kV based on present CMD of 550 kVA which is less than 1501 kVA. As per Clause 9.16.3 and 9.16.4 of Tariff Order FY 2022-23 the tariff rates in Rupees per unit chargeable to the HT consumers according to the voltage level are applicable. Accordingly the CC bills were issued to the appellant under 11 kV voltage for 550 kVA CMD. Further, the CC bills were issued under 33 kV voltage billing as per the Tariff Order i.e., actual supply of voltage, and also the H.T. consumers who are getting supply at voltages different from the declared voltages and who want to continue taking supply at the same voltage will be charged Voltage Surcharges up-to Tariff Order for FY 2016-17. Subsequently the voltage surcharge has been withdrawn and also omitted the Clause from Tariff Order i.e., actual supply of voltage from FY 2017-18. Since then, there is no such condition as to imply the tariff rates as per the actual supply of voltage as per the Tariff Order. Then, the ceiling of 1500 kVA CMD has to be billed under 11 kV on common feeder is mandatory to restrict the load on the grid and to maintain the discipline of the grid. The amendments which were effected in GTCS were not effected in the present Tariff Order. It is accordingly prayed to dismiss the appeal.

### REJOINDER OF THE APPELLANT

6. In the rejoinder filed by the appellant, it is submitted that, from 2017-18 onwards, the contention that the tariff is to be charged as per CMD is not correct. No such provision is provided or mentioned in the relevant order to bill the tariff rates based on CMD. The heading of the tariff orders is clearly specified as "Category". The Category is divided into three levels i.e., 11 kV, 33 kV and 132 kVA and above. The tariff rates of 11 kV Category, 33 kV Category and 132 kVA Category are applicable to respective Category based on their actual supply and not based on CMD wise.

### **ARGUMENTS**

7. It is argued on behalf of the appellant that consumers having CMD of less than 1500 kVA can avail power supply at 11 kV or 33 kV line but the consumer having CMD of more than 1500 kVA have to avail supply only at 33 kV line cannot avail at 11kV line; that as per Clause 9.27.3 of Tariff Order pertaining to FY 2022-23 specified the power supply voltage level based on CMD ceiling but not specified to charge 11 kV tariff when the actual supply is at 33 kV line and hence the claim of the respondents in this regard is not correct and therefore it is prayed to revise the CC bills from December 2019 to July 2023 billing months and refund Rs.39,47,320/- along-with interest @ 24% p.a., from the date of payment till its refund.

8. It is argued on behalf of the respondents that for a similar dispute the appellant approached the learned Forum in C.G.No.561/2019-20/Rajendra Nagar Circle and the said complaint was dismissed; that aggrieved by the said Award the appellant preferred the appellant preferred Appeal No. 12 of 2020-21 which was also dismissed, as such it is prayed to reject the appeal.

#### **POINTS**

- 9. The points that arise for consideration are :
  - i) Whether the appellant is entitled for revision of subject bills for the entire period claimed and is entitled for refund the amount with interest as prayed for?
  - ii) Whether the impugned Award of the learned Forum is liable to be set aside? and
  - iii) To what relief?

POINT No. (i) and (ii)

## **ADMITTED FACTS**

10. It is an admitted fact that the respondents have released the subject Service Connection No. H.T. RJN 604 to the appellant. It is also an admitted fact that the Hon'ble Commission has passed order vide proceedings dt.19.10.2022 amending Clause 3.2.2.3 of GTCS inserting sub Clause (vi).

#### SETTLEMENT BY MUTUAL AGREEMENT

11. Both the parties have appeared before this Authority virtually.

Efforts were made to reach a settlement between the parties through

the process of conciliation and mediation. However, no settlement could be reached. The hearing, therefore, continued to provide reasonable opportunity to both the parties to put-forth their case and they were heard.

### REASONS FOR DELAY IN DISPOSING OF THE APPEAL

12. The present appeal was filed on 01.03.2024. This appeal is being disposed of within the period of (60) days as required.

## **CRUX OF THE MATTER**

Service 13. stated the As already Connection the appellant-M/s. Sunder Ispat Ltd., bearing S.C.No.RJN 604 was released on 09.06.2004 under HT Category-IA availing supply through common feeder at actual voltage level of 33 kV with a contracted demand of 550 kVA and specified voltage level 11 kV. Initially the CC bills were issued under 33 kV voltage billing as per the Tariff Order i.e., actual supply of voltage. This was done upto 11/2019. In the Tariff Order FY 2016-17, voltage surcharge has been withdrawn and actual supply of voltage Clause was also omitted. Accordingly, a notice was issued to the consumer regarding change of tariff and from 12/2019 onwards the CC bills were issued under 11kV billing. Challenging the same the appellant has preferred C.G.No.561/2019-20/Rajendra Nagar Circle before the learned Forum. The said complaint was rejected. Thereafter the appellant filed Appeal No. 12 of 2020-21 before this Authority, which was also dismissed. Apart from that in its earlier claim in respect of refund pertaining to December 2019 in C.G.No.561 of 2019-20 and Appeal No. 12 of 2020-21, it did not get any relief.

14. The appellant initially approached the learned Forum vide C.G.No.201/2023-24 for levying 33 kV tariff rates in billing as per the Proceedings No. TSERC/Secy/47/2022 dt.19.10.2022 amended GTCS Clause No.3.2.2.3 by inserting sub Clause No (vi). As already stated, the learned Forum has rejected the said complaint holding that the Forum is not having the power to review its own Award in view of Regulation 3 of 2015 of TSERC. Aggrieved by the said Award the appellant preferred Appeal No. 48 of 2023-24 before this Authority. This Authority allowed the appeal. The result portion is as follows:-

"In the result, the appeal is allowed and the impugned Award of the learned Forum is set aside. The appellant is directed to approach the learned Forum with the copy of complaint in C.G.No.201/2023-24 within (15) days from the date of receipt of copy of the Award. The learned Forum is directed to treat that complaint as a fresh one, give notice to the parties, take the written replies of the respondents, hear the arguments and adjudicate the complaint as to whether the proceedings of the Hon'ble Telangana State Electricity Regulatory Commission dt.19.10.2022 is applicable to the appellant or not."

15. Accordingly the appellant approached the learned Forum vide C.G.No.286 of 2023-24 and the learned Forum again rejected the said complaint on the ground that it has no jurisdiction to entertain and finalise the grievances which are passed by an appellate authority in terms of Clause 2.37 of Regulation 3 of 2015 of Hon'ble TSERC. Aggrieved by the said Award the

appellant preferred the present appeal. This Authority allowed the said appeal directing the learned Forum to issue notice to both parties, obtain written replies of the respondents, hear arguments and pass appropriate Award, keeping in view the observations made in Appeal No. 48 of 2023-24. But it appears that the learned Forum has not at all issued notice to the respondents, no written replies were obtained from the respondents and passed the Award in C.G.No.286/2023-24/Rajendra Nagar Circle dt.16.02.2024. It ought not to have done that. It is the duty of the learned Forum to follow the directions of the appellate Authority.

16. The appellant has submitted that the respondents claimed CC bills under 11 kV tariff instead of 33 kV tariff in violation of Tariff Order and the appellant has paid the excess amount during the period from December 2019 to July 2023. Here we need to refer Clause 3.2.2.1 of earlier GTCS which is as under:-

HT Consumers intending to avail supply on common feeders:-

Contracted Demand	Voltage level
Upto 1500 kVA	11 kV
1501 kVA to 5000kVA	33 kV
Above 5000 kVA	132 kV or 220 kV as may be decided by Company

As the CMD of the appellant is 550 kVA which is less than 1501 kVA, as per the above Clause voltage level applicable to the appellant is 11 kV. In this connection it is necessary to refer to the relevant Tariff Orders.

- 17. In the Tariff Order FY 2015-16 dt.27.03.2015 in Para 6 H.T. SUPPLY- GENERAL CONDITIONS, it is mentioned as under :-
  - (1) Fuel Surcharge Adjustment (FSA) is applicable in accordance with the provisions of the Electricity Act, 2003.
  - (2) The tariffs are exclusive of Electricity duty payable as per the provisions of AP Electricity Duty Act
  - (3) Voltage of Supply

The voltage at which supply has to be availed by:

(i). HT consumers, seeking to avail supply on common feeders shall be:

For Total Contracted Demand with the Licensee and all other sources.

Upto 1500 kVA 11 kV 1501 kVA to 5000kVA 33 kV

Above 5000 kVA 132 kV or 220 kV as

may be decided by Licensee

(ii) HT Consumers seeking to avail supply through independent feeders from the substations where transformation to required voltage takes place shall be:

For total contracted Demand with the licensees and all other sources.

Upto 2500 kVA 11kV 2501 kVA to 10,000 kVA 33 kV

Above 10000 kVA 132 kV or 220 kV as may be

decided by Licensee

The relaxations are subject to the fulfilment of following conditions:

i. The consumer should have an exclusive dedicated feeder from the substation where transformation to required voltage takes place.

- ii. The consumer shall pay full cost of the service line including take off arrangements at substation;
- iii. In case of HT I, HT II and HT III consumer categories, for whom the voltage wise tariff is applicable, the Licensee shall levy the tariff as per the actual supply voltage

According to the above mentioned Clause (iii) of Tariff Order 2015-16, the subject Service Connection was billed as per actual supply voltage i.e., 33 kV though the specified voltage level is 11 kV to the appellant as per the earlier GTCS Clause 3.2.2.1. Whereas the Clause (iii) referred to above was omitted from Tariff Order FY 2016-17. Accordingly the respondents have changed billing the subject Service Connection under 11 kV voltage level tariff rates from December 2019 onwards.

- 18. The supply of voltage level is basing on the GTCS Clauses 3.2.2.1, 3.2.2.2 and 3.2.2.3 and Tariff Order Clause Voltage of supply, whereas Clause 7.87 of Tariff Order 2018-19 determines the voltage based tariff rates but not supply of voltage level. Accordingly, the appellant is not entitled for benefit under Clause 7.87 of Tariff Order 2018-19 dt.27.03.2018 from December 2019.
- 19. Now the appellant is relying on amended Clauses of GTCS by the Hon'ble Commission vide Proceedings No. TSERC/Secy/47/2022 dt.19.10.2022 which are as under:-



#### TELANGANA STATE ELECTRICITY REGULATORY COMMISSION

5th Floor, Singareni Bhavan, Red Hills, Lakdi-ka-pul, Hyderabad 500004

#### ABSTRACT

Amendment to certain Clauses of General Terms and Conditions of Supply (GTCS) – Orders – Issued.

Proceedings No.TSERC/Secy/47/2022

Dated 19.10.2022

Read the following:-

- 1) Proceedings No.Secy/01/2006, dated 06.01.2006
- Proceedings No.Secy/02/2009, dated 23.01.2009
- Lr.No.APERC/E-223/GTCS/DD-Dist/2009-01, dated 27.01.2009
- 4) Lr.No.APERC/E-223/DD-Dist/2009, dated 15.10.2009
- 5) Proceedings No.APERC/Secy/01/2012, dated 07.03.2012
- Proceedings No.APERC/Secy/96/2014, dated 31.05.2014
- 7) Proceedings No.TSERC/Secy/59-16/2016, dated 26.10.2016

#### ORDER:

Representations were received from certain stakeholders (HT consumers) for amendment to certain Clauses of General Terms and Conditions of Supply (GTCS) for enhancement of power supply capacity at 11 kV and 33 kV for common and independent (dedicated) feeders. TSDiscoms (TSSPDCL and TSNPDCL) have also submitted their representations for amendment of GTCS.

The Commission finds merit in these representations and recognizes the need to amend the existing Clauses of GTCS so as to meet the growing power demands from industrial sector in the Telangana State with minimum hurdles in the matter of providing service lines and augmenting the substation capacities in line with the standards being notified by the Central Electricity Authority (CEA) from time to time and also in the interest of higher revenues to the Distribution Licensees through higher sales of energy to the industrial sector.

After examining the relevant technical and commercial aspects, the Commission decided to initiate proceedings for making appropriate amendment to the Clauses of GTCS. Accordingly, the Commission has notified the Draft amendment of GTCS on its official website www.tserc.gov.in on 17.08.2022 and invited suggestions/comments from all the stakeholders and public on the proposed amendment to the Clauses of GTCS on or before 08.09.2022.

In response, the Commission has received written suggestions/comments from seven (7) stakeholders.

After due consideration of the suggestions/comments received, the Commission has made the following amendment to the Clauses of GTCS and this shall come into force with effect from the date of this order.

### 1. For Clause 3.2.2.1 of GTCS, the following shall be substituted:

3.2.2.1 HT consumers intending to avail supply on common feeders:

For total Contracted Demand with the Company and all other sources.

Contracted Demand	Voltage level
Upto 1500 kVA	11 kV
1501 kVA to 2500 kVA	11 kV or 33 kV
2501 kVA to 5000 kVA	33 kV
5001 kVA to 10000 kVA	33 kV or 132 kV or above
Above 10000 kVA	132 kV or above

#### 2. For Clause 3.2.2.2 of GTCS, the following shall be substituted:

3.2.2.2 HT consumers intending to avail supply through an exclusive independent (dedicated) feeder from the substation:

For total Contracted Demand with the Company and all other sources.

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Contracted Demand	Voltage level	
Upto 2500 kVA	11 kV	
2501 kVA to 3000 kVA	11kV or 33 kV	
3001 kVA to 10000 kVA	33 kV	
10001 kVA to 20000 kVA	33 kV or 132 kV or above	
Above 20000 kVA	132 kV or above	

#### 3. For Clause 3.2.2.3 of GTCS, the following shall be substituted:

- 3.2.2.3 Release of supply to HT consumers under clause 3.2.2.1 and 3.2.2.2 is subject to the fulfilment of following conditions:
  - The Company will extend the power supply capacities subject to technical feasibility.
  - While extending power supply at 33 kV for smaller demands, proper CT ratio has to be selected.
  - iii. The Company shall ensure adequate conductor capacity and if augmentation of conductor capacity is required, the necessary augmentation charges shall be collected from the consumer.
  - The Company shall ensure voltage regulation within the specified limits.
  - v. Power supply at 132 kV or above shall be through an independent (dedicated) feeder or through Loop-in-Loop-out (LILO) arrangement as decided by the TSTransco.
  - vi. In case of consumer categories, for whom the voltage-wise tariff is applicable, the Company shall levy the tariff as per the actual supply voltage.
  - vii. In case of dedicated feeder, the consumers shall pay full cost of service line as per the standards specified by Company including take off arrangements at substations.

## (BY ORDER OF THE COMMISSION)

Hyderabad 19.10.2022 Sd/-NAGARAJ NARAM Commission Secretary FAC 20. In Clause 3 of Proceedings No. TSERC/Secy/47/2022 dt.19.10.2022, Clause 3.2.2.3 of GTCS was amended and sub Clause (vi) was added, which is as under:-

"In case of consumer categories, for whom the voltage-wise tariff is applicable, the company shall levy the tariff as per the actual supply voltage."

In view of the above amendment, the appellant is entitled for applying 33 kV tariff rates from 19.10.2022. Therefore I hold that the appellant is entitled for revision of the bills from 19.10.2022 and not for the entire period from December 2019 to July 2023. As regards Awarding interest in this case, it is necessary to refer to Clause 4.7.3 of Regulation 5 of 2004 of Andhra Pradesh State Electricity Regulatory Commission as adopted by Telangana State Electricity Regulatory Commission, which is relevant and referred to by the appellant. The said Clause reads as under:-

#### Clause 4.7.3:-

"On examination of the Complaint, if the licensee finds the bill to be erroneous, a revised bill shall be given to the consumer indicating a revised due date of payment, which should be fixed not earlier than seven days from the date of delivery of the revised bill to the consumer. If the consumer has paid any excess amount, it shall be refunded by way of adjustment in subsequent bills. The licensee shall pay to the consumer interest charges at 24% per annum in the excess amount outstanding on account of such wrong billing."

In the instant case there is dispute in the bill due to miscommunication which can be termed as erroneous. When the bill is erroneous it needs to be revised and the consumer is entitled for interest @ 24% p.a., on account of such wrong billing. Accordingly the Award of the learned Forum is liable to be set aside.

These points are decided partly in favour of the appellant and partly in favour of the respondents.

# Point No.(iii)

21. In view of the findings on point No.(i) and (ii), the appeal is liable to be allowed in part.

### **RESULT**

22. In the result, the appeal is allowed in part. The respondents are directed to bill the subject Service Connection HT No. RJN 604 by applying 33 kV tariff rates as per actual supply voltage instead of 11 kV tariff rates from 19.10.2022. The revision of CC bills with 33 kV tariff rates is with interest and shall be adjusted in future bills of the subject Service Connection.

A copy of this Award is made available at https://vidyutombudsman-tserc.gov.in.

Typed to my dictation by Office Executive-cum-Computer Operator, corrected and pronounced by me on this the 30th day of March 2024.

Sd/-

# **Vidyut Ombudsman**

- 1. M/s. Sunder Ispat Ltd., represented by Sri Girish Kumar Sonthalia, Director, #2-1-41, Tobacco Bazar, Secunderabad 500 003. Cell: 9246523395.
- 2. The Assistant Divisional Engineer/Operation/Kothur/TSSPDCL/Ranga Reddy District.

- 3. The Divisional Engineer /Operation /Shadnagar/TSSPDCL/Ranga Reddy District.
- 4. The Senior Accounts Officer/Operation/Rajendra Nagar Circle / TSSPDCL /Ranga Reddy District.
- 5. The Superintending Engineer/Operation/Rajendra Nagar Circle / TSSPDCL /Ranga Reddy District
- 6. The Chief General Manager/Commercial/Corporate Office / TSSPDCL /Hyderabad.

# Copy to

7. The Chairperson, Consumer Grievances Redressal Forum of TSSPDCL-Greater Hyderabad Area, Door No.8-3-167/E/1, Central Power Training Institute (CPTI) Premises, TSSPDCL, GTS Colony, Vengal Rao Nagar, Erragadda, Hyderabad - 45.