



**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 Seventh Day of October 2020

**Appeal No.12 of 2020-21**

Preferred against Order dt. 08.02.2020 of CGRF in  
CG No. 561/2019-20 of Rajendra Nagar Circle

Between

Sri. Girish Agarwal, Director of M/s. Sunder Ispat Ltd. #2-1-41, Tobacco Bazar,  
Secunderabad - 500 003. Cell: 9246523395, 9391033606.

... Appellant

**AND**

1. The ADE/OP/Shad Nagar/TSSPDCL/RR. Dist.
2. The DE/OP/Shad Nagar/TSSPDCL/RR Dist.
3. The SAO/OP/Rajendra Nagar Circle/TSSPDCL/ RR Dist.
4. The SE/OP/Rajendra Nagar Circle/TSSPDCL/ RR Dist.

... Respondents

The above appeal filed on 30.07.2020 coming up for final hearing before the Vidyut Ombudsman, Telangana State on 16.09.2020 at Hyderabad in the presence of Sri.N. Vinesh Raj - On behalf of the Appellant and Sri. G. Lokeshwariah - SAO/OP/Rajendra Nagar Circle for the Respondents and having considered the record and submissions of both parties, the Vidyut Ombudsman passed the following;

**AWARD**

This is an Appeal against the orders of the CGRF, Rajendranagar circle in CG No. 561/2019-20 dt.08.02.2020.

2. The written submissions of the Appellant are hereunder:-

The Appellant is a company registered under companies Act under name and style of M/s. Sunder Ispat Limited situated at 2-1-41, Tobacco Bazar,

Secunderabad-500003 and having a HT Consumer bearing No.HT No. RJN 604 with Contracted Maximum Demand (CMD) of 550 KVA for supply of energy and demand from the respondents.

The Appellant aggrieved by the claim of Respondent No. 3 of CC charges tariff of 11 KV instead of 33 KV applicable tariff in December,2019 billing month as the power is being supplied in 33 KV line approached before the Hon'ble CGRF II Vide C.G No 561/2019-20/Rajendranagar circle on 16.1.2020.

The CGRF passed the award dated 8.2.2020 in C.G No 561/2019-20/Rajendra Nagar circle and rejected the complaint without applying its legal mind properly and could not appreciate the citation of Hon'ble Vidyut Ombudsman which was decided in similar case.The original copy of award dated 8.2.2020 of C.G No 561/2019-20/RajendraNagar circle.

Hence, this appeal. In view of the above stated facts, the appellant pray to this Hon'ble vidyut Ombudsman to pass and award/orders.

**UNDER CLAUSE 3.35 OF REGULATION 3 OF 2015:**

- a. To set aside the award passed by the CGRF dated 8.2.2020 of C.G.No 561/2019-0/rajendra Nagar circle.
- b. To set aside and declare the claim of tariff rate of 11 KV by the Respondent No. 3 as illegal consequently to revise the December,2019 bill duly applying the tariff rate of CC Charges of 33 KV line.
- c. Any such others order or orders as may deem fit by this Hon'ble Ombudsman in the circumstances of the appeal in the interest of justice and fair play.

**3.** The Respondents submitted their reply through the Respondent No.4 vide Lr.No.SE/OP/RJNR/SAO/HT/D.NO.881/2019,Dt 17/08/2020 stating as follows:-

- a. That the appellant is the HT consumer of M/s. Sunder Ispat Ltd, bearing SC No.RJN604 released on 09.06.2004 under Cat-I (A).
- b. Further submitted that,as per the Tariff conditions for the FY 2018-19 the required Contracted Maximum Demand to avail the supply at various voltage level i.e 11KV,33KV or 220 KV on common feeder and independent feeder are furnished hereunder.

Voltage level/Billing under	Independent Feeder/Contracted Maximum Demand	Common Feeder/Contracted Maximum Demand
11KV	Upto 2500 KVA	Upto 1500KVA
33KV	2501 KVA to 10000KVA	1501 KVA to 5000KVA
132 KV or 220KV	Above 10000KVA	Above 5000KVA

- c. On verification of records that, as per the instruction of the Corporate Office, it is observed that the Contracted Maximum Demand of M/s. Sunder Ispat Ltd, bearing SC.No RJN604 is having 550KVA on common Feeder, availing supply at 33KV Voltage level and billing is done under 33KV.
- d. Further it is to submit that, as per the Tariff conditions specified above the service is to be billed under 11KV instead of 33KV based on the present Contracted maximum Demand of 550KVA which is less than 1501KVA. Accordingly the same was intimated to the complainant that as per the clause 3.2.2.1, 3.2.2.2 of General Terms and Condition of supply and Tariff orders for FY 2018-19, the CC billing will be done under 11KV Voltage level instead of 33KV with effect from 12/2019 CC bill onwards.
- e. Therefore, in view of the above submission the energy charges, which were billed under 11KV Voltage level from 12/2019 CC bill Onwards are correct in nature, hence it is requested to dismiss the grievance of the consumer or pass such other suitable orders in the matter please.

**4. REJOINER FILED ON BEHALF OF APPELLANT:**

- a. IN REPLY TO PARA NO 2: The Respondent No. 4 furnished the following table in the counter.

Voltage level/Billing under	Independent Feeder/Contracted Maximum Demand	Common Feeder/Contracted Maximum Demand
11KV	Upto 2500 KVA	Upto 1500KVA
33KV	2501 KVA to 10000KVA	1501 KVA to 5000KVA
132 KV or 220KV	Above 10000KVA	Above 5000KVA

- b. The word Billing under highlighted in the above first column is not correct. In the Tariff Orders the word Billing Under is not mentioned in the said clause. The word

billing under is used deliberately. The clause No 7.118 of Tariff Orders 2018-19 is extracted hereunder for kind ready reference of the Hon'ble Authority.

- c. **Clause 7.118 :-Voltage supply-** The voltage at which supply has to be availed by:

I. HT consumers, seeking to avail of supply on common feeders shall be: For total contracted demand with the licensee and all others sources.

Up to 1500KVA	11KV
1501 KVA to 5000KVA	33KV
Above 5000KVA	132 KV or 220 KV as may be decided by licensee

II. HT consumer seeking to avail of supply through independent feeders for the substation where transformation to required voltage takes place shall be: for total contracted demand with the licensee and all others sources.

Up to 2500KVA	11KV
2501 KVA to 10000KVA	33KV
Above 10000KVA	132 KV or 220 KV as may be decided by licensee

- d. The relaxation are subject to the fulfilment of the following conditions:
- a. The consumer should have an exclusive dedicated feeder from the substation where transformation to required voltage takes place.
  - b. The consumer shall pay full cost of the service line including take off arrangement at substation.
- e. In view of the clause 7.18 of Tariff Orders of 2018-19 the appellant is having 33 KV common feeder hence, the above clause (i) will apply. It is pertinent to note that the voltage supply level prescribed in the above clause upto voltage supply of 1500 KVA the consumer should avail supply in 11 KV line and voltage supply from 1501 to 5000 KVA consumer should avail supply in 33 KV line. The above said restriction are applicable only for the purpose of supply of electricity/voltage not for the purpose of billing. Hence the appellant is availing power supply with voltage supply of 550KVA in 33KV line since May 2005 and billing also done in 33KV category only till November, 2019.

f. For the purpose of billing the relevant clause 7.86 and 7.87 of Tariff Orders of Financial Year 2018-19 are applicable. The same is extracted hereunder for kind ready reference:-

g. HT-I(A): Industry-General :7.86 A time of day tariff of Rs 1.00 per KVAH in addition to the normal energy charges at respective voltages is applicable during peak hours of 06.00 am to 10.00 and 06.00 pm to 10.00 pm Similarly, a reduction in tariff of incentive of Rs 1.00 per KVAH to the normal energy charges at respective voltage is applicable during the night time i.e from 10.00 m to 06:00am. The normal energy charges for respective voltage are applicable during 10:00 am to 06:00 pm.

h. 7.86 the normal energy charges applicable (for this category other than poultry farms) between 10:00 am and 06:00 pm are as follows:-

Category	Demand charges(Rs/month)		Energy charges(Rs/Kvah) unit rate
	UNIT	RATE	
HT-I(A): Industry-General			
11KV	KVA	390	6.65
33KV	KVA	390	6.15
132KV and above	KVA	390	5.65

\*Demand charge is calculated at Rs KVA month of the billing demand

The clause(ii) is not applicable to the appellant as it is an independent feeder.

i. **IN REPLY TO PARA NO 3 TO 5:** The interpretation of the Respondents no 4 based on the CMD and supply line for the purpose of billing is not correct and in violation of clause 7.118 of Tariff Orders of 2018-19. For the purpose of billing the Respondent No 4. has to apply the tariff rates approved by the Hon'ble TSERC in the Tariff Order based on the category of consumer but not based on the CMD. The Annexure I attached to the Tariff order of 2018-19 in which the applicable tariff rates for the category of consumer is mentioned is enclosed.

j. In view of the above stated facts the appellant prayed to this Hon'ble Authority to allow the appeal as prayed for.

5. The Respondents submitted their reply to the rejoinder of the Appellant vide Lr.No. SE/OP/RJNR/SAO/HT/D.NO/915/ DATED 08/09/2020 stating as follows:-

- a. That the appellant is the HT consumer of M/s Sunder Ispat Ltd, bearing SC.No RJN604 released on 9.06.2004 under cat I(A).
- b. Further it is submitted that, the cc bills were issued to the consumer from 12/2019 as per the clause 3.2.2.1 of General Terms and Condition of supply. As per the tariff orders the service whose CMD is less than 1501 KVA on common feeder are to be billed under 11KV tariff and same was intimated to appellant.
- c. Further it is submitted that the contracted maximum demand of M/s Sunder Ispat Ltd bearing SC.No RJN604 is having 550KVA on common feeder availing supply at 33KV voltage level and billing is done under 33 kv tariff which is against the conditions of the tariff order.
- d. Therefore, the energy charges, which are being billed under 11KV tariff from 12/2019 cc bill onwards are correct in nature, hence it is requested to dismiss the grievance of the consumer or pass such other suitable orders in the matter please.

**Heard both sides.**

#### **Issues**

6. In the face of the said contentions by both sides the following issues are framed:-

1. Whether the change in tariff rates from 33 KV billing tariff to 11 KV billing Tariff against the subject service connection implemented by the Respondents is against the Clause 7.118 of Tariff Order FY 2018-19?
2. To what relief?

#### **Issue No.1**

7. M/s. Sunder Ispat Pvt. Ltd, bearing SC No. RJN604 pleaded to set aside the claim of the Respondents over converting 33 KV Tariff billing to 11KV Tariff billing. The Respondent No.4, SE/OP/Rajendra Nagar vide Lr.No. SE/OP/RJNR/SAO/JAO(HT)/D.No.426 dt.20.12.2019, issued notice to the Appellant stating that the subject service connection billing tariff rates will be changed from existing 33 KV tariff rates to 11 KV tariff rates in the CC bill w.e.f. 12/2019, as the CMD of 550 KVA, under common feeder is to be billed under 11 KV Tariff rates based

on the GTCS Clause 3.2.2.1 and 3.2.2.2 and conditions of supply of Tariff Order of FY 2018-19.

**8.** The Appellant opposed such change in billing tariff mainly on the following grounds:-

- a. That clause 3.2.2.1 of the GTCS mandates to avail power supply on 11 KV common feeder when the CMD from all sources is upto 1500 KVA. Whereas to avail power supply on 33 KV Common feeder when the CMD is more than 1501 KVA from all the sources upto 5000 KVA. The said clause does not restrict the HT consumer to avail power supply under 33 KV network when the CMD is less than 1500 KVA. The ceiling of 1500 KVA for 11 KV under common feeder is prescribed only to restrict the load on the grid and to maintain the discipline of the grid only not otherwise. Moreover the losses will be less in 33 KV level of supply compared to 11 KV level to the DISCOM.
- b. That they have obtained sanction for HT service connection RJN 684, during June' 2004 under 33 KV common feeder with a CMD of 350 KVA, same was released by the SE/Mahaboobnagar vide Memo No.SE/OP/MBNR/Comml/D.No.598 dt.02.06.2004, entered into HT agreement for CMD of 350 KVA at 33 KV, later enhanced to 550 KVA at 33 KV on 22.05.2005 by CGM/Commercial vide Lr.No.CGM/(Comml)./SE(C)/DE(C)/ADE-I/F.HT/D.No.1089/05 dt.21.04.2005.
- c. That the voltage supply level prescribed in the clause 7.118 of Tariff Order of 2018-19 upto voltage supply upto 1500 KVA, the consumer should avail supply at 11 KV and voltage supply for the CMD from 1501 to 5000 KVA consumers should avail supply at 33 KV. The above said restrictions are applicable only for the purpose of supply of electricity/voltage not for the purpose of billing. Hence the appellant is availing power supply with voltage supply of 550KVA in 33KV line since May 2005 and billing also done in 33KV category only till november,2019.
- d. Relied on the Clause 7.86 and 7.87 of Tariff Order FY 2018-19. That the Tariff rate of HT-IA category is applicable for the purpose of billing. Tariff Order shows that the Tariff rate of energy charges of Rs 6.15 per KWH or KVAH for HT1A Category is applicable for billing purpose.
- e. That the Respondents deliberately added the word "Billing Under" in the first column in the Clause 7.118 of the Tariff Order
- f. That the interpretation of the Respondents based on the CMD and supply line for the purpose of billing is not correct and in violation of clause 7.118 of Tariff

Orders of 2018-19. For the purpose of billing the Respondents has to apply the tariff rates approved by the Hon'ble TSERC in the Tariff Order based on the category of consumer but not based on the CMD.

- g. Based on the above facts and evidences the action of applying tariff rates at 11 KV rates instead of applicable Tariff of 33 KV in Dec'2019 bill dt.26.12.2019 is unilaterally and consequently claiming an amount of Rs 91,430/- excess by the Respondents is not correct, illegal, and in violation of provisions of Electricity Act'2003.

9. The Respondent No.4,SE/OP/Rajendranagar vide his written submissions vide Letter No. 881 Dt.17.08.2020 and Lr.No. 915 dt.08.09.2020 respectively also reiterated on the Tariff Conditions of the Tariff order FY 2018-19 and Clause 3.2.2.1 and 3.2.2.2 of General Terms and Conditions of supply. It is held that as per said conditions the services whose CMD is less than 1501 KVA on common feeder are to be billed under 11 KV tariff. The provisions billing tariff of 33 KV tariff rates are against the above said provisions.

10. A perusal of the dispute shows that both the Appellant and the Respondents relied on the same conditions of the Tariff Order clause 7.118 of FY 2018-19 and Clause 3.2.2.1 of the GTCS and claimed in their favor as per their interpretation. The Appellant mainly claimed that the Clause 7.118 of the Tariff Order showing the Voltage of Supply do not restrict the consumers below 1500 KVA CMD to avail 33 KV voltage level of supply, there is ceiling of 1500 KVA at 11 KV supply on common feeders and 5000 KVA for 33 KV common feeders to maintain grid discipline. A plain reading of the said Clause shows that, those HT consumers seeking to avail supply on common feeders under 11 KV level of supply, the total contracted load along with all other sources should not be over 1500 KVA and the slot of the HT consumers having contracted load from 1501 KVA to 5000 KVA can avail supply on common feeders under 33 KV level of supply. Thereby Consumers seeking supply with certain Contracted demand shall be in accordance with stipulated voltages. In other words, based on the requirement of load the Voltage of supply depends, A HT Consumer can Contract the Demand from the Licensee as per their requirement, consequently the Licensee shall adopt the Voltage of Supply in accordance with the Tariff Order clause 7.118 of FY 2018-19 and Clause 3.2.2.1 and 3.2.2.2 of the GTCS. Deviation to the said conditions is violation of the above said Clauses. In view of the



above, availing supply for the loads below 1500 KVA CMD under 33 KV level of supply is unwarranted. But against the given condition, both the parties executed the arrangement of 33KV network for the CMD of 550KVA mutually. Now the Respondents found fault in such an arrangement. The reason stated by the Appellant over maintaining a ceiling of 1500 KVA under 11 KV common feeders to restrict the load on the grid and to maintain the discipline of the grid has no technical relevance. There is no ceiling on availing load by the HT Consumers as contemplated by the Appellant, the Voltage level applicable is not the choice given by the stipulated clauses to the Consumers. The LT/HT network time and again will be expanded in terms of line capacity to cater the load, relative to the contracted loads of the total consumers connected to the LT/HT network. The limitation is that at a given contracted load, voltage level shall be in accordance with the GTCS Clause 3.2.2.1, 3.2.2.2 and Clause 7.118 of the Tariff Order 2018-19 i.e. under common feeder upto 1500 KVA CMD at 11 KV supply voltage and from 1500 KVA to 5000 KVA at 33 KV supply voltages only. Hence, arrangement of supply under 33KV level against 550 KVA Contracted Demand is against the statute stated above.

11. When coming to the tariff rates applicable, initially the Tariff rates levied by the Respondents were at 33 KV level rates i.e, as per the actual supply level of Voltage. Now, the Respondents found fault in charging 33 KV tariff rates for the HT consumers having CMD's below 1500 KVA and converted the tariff rates to 11 KV tariff rates relying on the Clause 3.2.2.1 of the GTCS. The Appellant opposed such conversion stating that the said clause does not mandate such change in tariff. In view of the above, here the question arises whether to levy tariff rates as per the actual supply of voltage or not. This question was specifically addressed in the tariff order for the FY 2015-16 with a clear direction to levy tariff rates as per the actual supply voltage under Clause (6)(3)(iii) HT Supply - **General Conditions - Voltage of Supply**, reproduced here under:-

*(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.*

<i>Upto 1500 kVA</i>	<i>11 kV</i>
<i>1501 kVA to 5000kVA</i>	<i>33 kV</i>
<i>Above 5000 kVA</i>	<i>132 kV or 220 kV as may be decided by the Licensee</i>

(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                      11 kV

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 fulfillment 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.*

The above Clause mandates that for the HT consumers under HT-I, HT-II and HT-III, the Licensee shall levy the tariff as per the **actual supply of voltage**. But now in the Tariff Order in vogue 2018-19, the said condition is not existing (Omitted since Tariff Order 2016-17). Presently there is no such condition stating to imply the tariff rates as per the actual supply Voltage, here in this case 33KV. In view of the said scenario i.e, absence of the specific Clause, the Licensee preferred to convert the tariff rates relying on the Clause 3.2.2.1 of the GTCS, which mandates 11KV level of supply Voltage for the HT Consumers having CMD below 1500KVA and accordingly levied the 11KV tariff rates. The plea of the Appellant over restrictions placed in the Clause 7.118 for the purpose of supply of Electricity / Voltage not for the purpose of billing, cannot be admitted under the discussions supra.

The Clause 7.86 & 7.87 mandates the tariff rates in Rupees per unit chargeable to the HT consumers according to the voltage level they are applicable. The Tariff rates towards Energy Charges are different against different Voltage levels eg., for 33KV it is Rs 6.15/- & for 11KV it is Rs.6.65/-. For the CMD of 550 KVA the 11 KV voltage level is applicable as per the Clause 7.118 of the Tariff Order. Hence, as per the Clause 7.86 and 7.87 the Respondents can levy the tariffs against the subject service connection at 11 KV.

In view of no mandatory provisions towards levy of tariff rates as per the actual Voltage of Supply, the action of the Licensee to convert the tariff rates at 11

KV tariff relying on the GTCS Clause 3.2.2.1 and Clause 7.118 of the Tariff Order 2018-19, which mandates the 11KV level of supply for the 550 KVA CMD is tenable.

**Issue No.2**

12. In the result the Appeal is dismissed.

TYPED BY Office Executive cum Computer Operator, Corrected, Signed and Pronounced by me on this the 7th day of October, 2020.

Sd/-

**Vidyut Ombudsman**

1. Sri. Girish Agarwal, Director of M/s. Sunder Ispat Ltd. #2-1-41, Tobacco Bazar, Secunderabad - 500 003. Cell: 9246523395, 9391033606
2. The ADE/OP/Shad Nagar/TSSPDCL/RR. Dist.
3. The DE/OP/Shad Nagar/TSSPDCL/RR Dist.
4. The SAO/OP/Rajendra Nagar Circle/TSSPDCL/ RR Dist.
5. The SE/OP/Rajendra Nagar Circle/TSSPDCL/ RR Dist.

**Copy to :**

6. The Chairperson, CGRF-GHA, TSSPDCL, GTS Colony, Vengal Rao Nagar, Hyd.
7. The Secretary, TSERC, 5<sup>th</sup> Floor Singareni Bhavan, Red Hills, Lakdikapul,Hyd.