



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

Saturday, the Eighteenth day of March 2017

Appeal No. 71 of 2016

Preferred against Order Dt. 21-06-2016 of CGRF In

CG.No: 144/2016 of Medak Circle

Between

M/s Dr. Reddy's Laboratories Limited, Chemical Tech Ops Unit-II,
Plot Nos.110,111 and 121/3, 75B, 112,105, S.V.Cooperative Industrial Estate.
Bollaram, Jinnaram Mandal, Medak Dist - 502 325. Tel: 08458 - 283641/283642.

... Appellant

AND

1. The SAO/OP/Medak/TSSPDCL/Medak Dist.
2. The DE/OP/Sangareddy/TSSPDCL/Medak Dist.
3. The SE/OP/Medak Circle/TSSPDCL at Sangareddy.

... Respondents

The above appeal filed on 23.11.2016 coming up for final hearing before the Viduyut Ombudsman, Telangana State on 24.01.2017 at Hyderabad in the presence of Sri. K. Vishwanatha Gupta - On behalf of the Appellant Company, Smt. P. Manjula - SAO/OP/Medak and Sri. P. Karunakar Reddy - DE/OP/Sangareddy for the Respondents and having considered the record and submissions of both the parties, the Viduyut Ombudsman passed the following;

AWARD

The Appellant company is a consumer with HT SC No. MDK-127 with 33 KV. The Appellant claimed that in the months of April,2014 to August,2014 it had availed open access power from a solar power generator. As per the allocation of solar generator, the Appellant claimed that the TOD(Time Of Day) units were also allowed under the Open Access facility. Further the Appellant claimed that the DISCOM took the stand that it had adjusted the TOD tariff by oversight, on par with generators who generated power during peak hours based on MRI dumps with 15 minutes time blocks and

furnished details from April,2014 to August,2014 (6 months) totalling 759994 units which is contrary to the figures mentioned in the bill for May,2015.

2. The Appellant claimed that the solar power generator does not give the TOD allocation and that the Licensee has to calculate TOD allocation based on MRI data. The error committed by the DISCOM was from the recovery stated to be from April, 2014, but the recovery has been made in the bill of March,2014. As per Regulation No. 2/2006 dt.11.8.2006 the solar power has been included by amendment dt.2.5.2013 and under the circumstances, the Appellant sought a direction to the DISCOM to release the TODs not credited so far and reverse the recovery made in the bill for the month of May,2014.

3. The 3rd Respondent/SE/O/Medak through letter dt.23.4.2016 stated that the Appellant has availed Open Access facility through a solar power generator from April,2014 till August,2014. As per the allocation of solar generator, TOD units were also allowed under the Open Access facility and the tariff was adjusted due to oversight, on par with the generators who have been generating power during peak hours based on MRI dumps with 15 minutes time blocks. The 3rd Respondent gave the details of TOD tariff as follows:

Month	TOD units Adjusted	TOD tariff adjusted
April,2014	174425	184425.00
May,2014	170323	170323.00
June,2014	150349	150349.00
July,2014	123663	123663.00
August,2014	131234	131234.00

4. The 3rd Respondent claimed that on a review of TOD charges/peak energy charges in respect of HT consumers who have been purchasing solar power, the DISCOM has decided not to consider TOD unit adjustment to the extent of TOD tariff per unit chargeable **in addition to the normal energy charges** on the following grounds:

- i. The TOD tariff is payable for energy consumed during peak hours by the consumers towards cost of expensive power purchased by the DISCOM during peak hours.
- ii. The TOD tariff adjustment is being allowed to consumers only to the extent of the actual power generated by the generators during peak hours.
- iii. In case of solar power generators, there is no possibility of generation during peak hours. i.e between 6.00 PM and 10.00 PM.
- iv. The Appellant has been purchasing the power from solar energy generator M/s. Arhyam solar power.
- v. Accordingly, the adjustment of TOD Tariff under Open Access (Solar Power) facility was stopped from September,2014 onwards, as the solar power is generated normally during the daytime (during availability of sunlight) and the Government facilitated the generators to allocate the energy within (24) hours to their respective consumers to encourage the solar generation. Based on the allocation of the generator, the units allocated were also adjusted in apportionment basis against the energy consumed during peak hours, except TOD tariff as per Regulation No. 1 of 2013.

The 3rd Respondent contended that the Appellant has not approached the DISCOM seeking clarification about TOD tariff adjustment. He claimed that the complaint of the Appellant is not correct. During the hearing, the representative of the Appellant contended that the solar generator does not give TOD allocation and they are actually calculated by the licensee based on MRI data. He contended that the stand taken by the DISCOM regarding Time Of Day units is not correct and there is no scope for wrong interpretation and if the DISCOM felt any doubt regarding interpretation of Regulations, it ought to have approached ERC for clarifications, which is not done. He sought release of TODs not credited so far and for reversal of the action of recovery made in the CC bill for May,2014.

5. Before the CGRF, AAO/HT/Corporate Office admitted to have received a letter from the Appellant on the subject of solar units during peak hours. The CGM(Finance)/Corporate office through letter dt.30.5.2016 submitted that the Appellant filed a complaint regarding adjustment of TOD tariff during peak hours against the units purchased from the solar generators. He stated that after examining

the complaint, he came to the conclusion that the solar power generation is not available during peak hours and TOD units during peak hours are being allocated as per the Regulation 2 of 2006 and the TOD tariff benefit is not being given to the consumers as a uniform policy in the DISCOM and termed the present complaint as incorrect.

6. On the basis of the material on record and contentions, the CGRF observed that the solar power generation is not available during peak hours and that TOD units during peak hours are being allocated as per Regulation 2 of 2006 and that the TOD tariff benefits are not being allowed as a uniform policy in the DISCOM and agreed with the claim of the Respondents that the solar power cannot be generated during peak hours between 6.00 PM and 10.00 PM unlike other modes of power generation and the benefit of which is not passed on to the units purchased through Open Access from the Solar Energy Generator and disposed of the complaint through the impugned orders.

7. Aggrieved and not satisfied with the impugned orders, the Appellant preferred the present Appeal contending that the Appellant has availed solar power from the month of March,2014 till August,2014 and that the Government, to encourage solar power and other renewable power generators, through an amendment dt.2.5.2013 to Clause 10 of Regulation 2 of 2006 treated renewable power generators like solar power generator as schedule energy for giving benefits and that the DISCOM has credited TOD units from March,2014 to August,2014 and later stopped giving credit of TOD units to the Appellant and that there was a revised bill for May,2015 seeking recovery of the amount as benefit already extended and that the facts mentioned by the 3rd Respondent/SE are totally false and that as per Clause 10(5) in Regulation 2/2006 dt.11.8.2016 solar power was included by way of amendment dt.2.5.2013 and the provision stated that:-

“The actual generation during the month will be apportioned for each time block of the month and deviation reckoned accordingly”

The Appellant further stated that this clause clearly states that the solar power produced in a month has to be apportioned for each time block and whatever power is apportioned during peak hours, the benefit shall be extended to the consumer in that block and thus there is no scope for any wrong interpretation. The DISCOM only, with a view to increase its revenue, has resorted to giving instructions misinterpreting the Tariff Order. The Appellant sought a direction to the DISCOM to extend the benefit of TOD from September,2014 onwards.

9. During the hearing, the 3rd Respondent/SE/O/Medak submitted a reply dt.19.12.2016 claiming that during the months of April,2014 to August,2014 the Appellant had availed Open Access power from a solar power generator and that as per the allocation of the solar power generators, the TOD units were allowed by OVERSIGHT on par with other Generators, who were generating power during peak hours based on MRI dumps with 15 minutes time block. He claimed that on review of adjustment of TOD units/ peak energy charges in respect of HT consumers who were purchasing solar power, the DISCOM has decided not to consider TOD units adjustment to the extent of TOD tariff per unit chargeable in addition to the normal energy charges because:

- a) TOD tariff is payable for energy consumed during peak hours by the consumers towards cost of expensive power purchased by the DISCOM during peak hours.
- b) TOD tariff adjustment has been allowed to the consumers only to the extent of actual power generated during peak hours.
- c) there is no solar power generation during peak hours 6.00 PM to 10.00 PM.
- d) the Appellant is purchasing the power from a Solar generator
- e) the adjustment of TOD tariff/peak hour tariff under Open Access (solar power) has been stopped from September,2014 onwards.

10. After hearing both sides, the matter was reserved for orders. Thereafter, on 7.1.2017 the representative of the Appellant sought reopening of the matter claiming that they have a feeling that their representative has not explained their stand clearly. Thus the matter was reopened and the Appellant and so also the Respondents were further heard.

11. On behalf of the Appellant, their representative filed a statement styled as deposition stating that under Clause 10.5 of Regulation 2 of 2006, there is a process for settlement of Open Access generators /renewable power generators. According to this Clause, the actual generation during the month will be apportioned for each time block of the month and deviations reckoned accordingly. The Appellant claimed that it is under this Clause, through the solar power is not produced during the peak period, it is considered as scheduled energy and the benefit of peak energy charges is also to be extended to the Open Access solar power and that when it is treated as the peak energy portion, it will become energy on account of solar power and that the DISCOM has

extended this benefit from March,2014 to August,2014 and stopped the facility from September,2014 without any prior notice.

12. Mediation, in view of the respective stands, failed to succeed and therefore, the matter is being disposed of on merits.

13. Based on the record and rival contentions, the following issues arise for determination:

1. Whether TOD Tariff/Peak hour Tariff benefit has to be extended to the Appellant in view of Clause 10.5 of Regulation 2 of 2006 which states that actual power generated by the Solar generators shall be apportioned for each time block of the month?
2. Whether the demand for Time Of Day/Peak energy charges paid from March,2014 to August,2014 to the Appellant and demanded back in the month of May,2014 by the DISCOM is legal?
3. Whether the impugned orders are liable to be set aside?

Issues 1 to 3

Heard Both Sides

14. The Appellant filed complaint before CGRF demanding crediting of T.O.D units on account of solar power for their unit having SC No. MDK 127 under 33 KV voltage. The Appellant is availing open access power with the supplier M/s Ahryan Solar Generator since 2014.

15. The Appellant claimed that the DISCOM has allowed crediting of T.O.D units on account of solar power till August,2014, but abruptly stopped the facility with no advance intimation.

16. The Appellant has relied on Clause 10(5) of the Regulation No. 2 of 2006 as amended by Regulation No. 1 of 2013 which is reproduced hereunder, to claim that TOD units have to be credited to it as was done till August,2014:

“In case of wind, Mini Hydel and Solar OA Generators the actual generation during the month shall be deemed as Scheduled Energy, **for the purpose of settlement** in respect of scheduled/OA Consumer availing supply from those OA

Generators, **the actual generation** during the month **will be apportioned for each time block** of the month and **deviations reckoned accordingly.**”

17. The Appellant further added that the DISCOM has to arrive at the T.O.D units to be credited to the consumer, as per MRI after distributing the solar generation in the 15 minutes settlements. In fact this will be almost one sixth of the total generation, except for some variations, on account of non utilisation of power by the consumer, on some occasions.

18. The Respondents contended that during the months from April, 2014 to August, 2014, the Appellant has availed Open Access power with M/s Arhyam Solar power generator and as per the allocation of the solar generator, the T.O.D units were also allowed under Open Access facility and adjusted in the T.O.D tariff **by over sight** on par with the generators, who have been generating power during the peak hours, based on the MRI dumps with 15 minutes time block.

19. The Respondents claimed that on a review of the adjustment of TOD charges/peak energy charges in respect of HT consumers who are purchasing solar power, the DISCOM has decided to not to consider the TOD units adjustment to the extent of TOD units tariff per unit chargeable, in addition to the normal energy charges on the following grounds;

- a. The TOD tariff is payable for energy consumed during peak hours by the consumers towards **cost of expensive power** purchase by the DISCOM during the peak hours.
- b. The TOD tariff adjustment is being allowed to consumers only to the extent of actual power generated by the generators during peak hours.
- c. In case of solar power generators, there is no possibility of generation during peak Hours of 6.00 PM to 10.00 PM.
- d. The Appellant - HT consumer has been purchasing power from solar generator M/s. Arhyam Solar power.
- e. The adjustment of T.O.D tariff under Open Access (Solar Power) facility is stopped from Sept, 2014 onwards, as the solar power is generated normally in the day time (due to availability of sunlight) and the Government facilitated the generators to allocate the energy within (24) hours to their respective consumers to encourage solar generation. Based on the allocation of the generator, the units allocated were also adjusted on apportion basis against

the energy consumed during peak hours, except TOD tariff as per Regulation No. 1 of 2013.

20. Clause 4 of Regulation 2 of 2006 provides for governing the Open Access Generator, scheduled consumer and Open Access consumer as follows:

“Each Open Access Generator, Scheduled Consumer and OA consumer shall provide a Wheeling Schedule in the format as at Appendix - 1(a), to the SLDC/DISCOM for each fifteen(15) minute time block for a day, on a day-ahead basis by 10.00 AM., on the day preceding the commencement of the first time block for which the wheeling of energy is scheduled, with a copy each to the State Transmission Utility (APTRANSCO) and the concerned DISCOM.

Provided that an Open Access Generator, Scheduled Consumer and OA consumer requiring to wheel electricity from more than one generating station with the interface points located at different locations (with separate metering at each entry point) shall provide separate wheeling schedule for the entry point(s) of each generating station.

Amendment of Clause 4 of principal Regulation 2 of 2006 by Regulation No.1/2013 to second provision to Clause 4.1 explains what is Scheduled energy vis-a-vis Solar Energy as follows:

“Provided also that the Wind based, Solar based or Mini-Hydel Open Access Generators shall not be required to provide a day-ahead wheeling schedule and the actual electricity injected by them shall be deemed to be the scheduled energy.”

By way of Amendment to Clause 10 of principal Regulation 2 of 2006 by Regulation No.1/2013 Sub Clause 5 is substituted as under:

“In case of Wind, Mini-Hydel and Solar OA generators the actual generation during the month shall be deemed as Scheduled Energy. For the purpose of settlement in respect of scheduled/OA consumer availing supply from these OA generators, the actual generation during the month will be apportioned for each time block of the month and deviations reckoned accordingly.”

21. The Sub Clause 4.1 was amended by Regulation 1 of 2013 to include solar based open access generators, who are not required to provide a day ahead wheeling schedule, since the generators from these sources depend upon the prevailing conditions of nature, which vary from time to time. **Hence the actual electricity injected by them has to be treated as deemed schedule energy.**

By way of illustration, brief details are noted from HT CC bill for the month of May, 2015

Total consumption	- 14,44,580 Units
Open Access	- 2,04,000 Units
ISOA (Intra State Open Access)	- 6,56,446 Units
Main Consumption	- 5,84,134 Units

Apportioning of solar power energy:

Actual solar generation	: 6,56,446 Units	
Energy blocks of 15 Mnts :	: <u>6,56,446</u>	= 228 Units
	96 blocks x 30 days	

Thus the apportioned 228 units for each time block shall be reckoned for deviations.

At this point what is a deviation has to be examined. The Central Electricity Regulatory Commission has issued (Deviation Settlement Mechanism and Related Matters) Regulation - 2014 wherein Section 2 Clause (h) defined the word 'Deviation' as:

“Deviation” in a time-block for a seller means its total actual injection minus its total generation and for a buyer means its total actual drawal minus its total scheduled drawal”.

It is clear from the apportionment of consumption into 96 time blocks x 30 days is to settle the deviations and if there is any excess/under drawal of energy by the consumer, to charge for the energy consumed accordingly as per Regulation 2 of 2006 (Interim Balancing Settlement Code For Open Access Transaction) and not for any other purpose. It is also clear that this apportionment into time blocks has nothing to do with the Peak Energy (TOD) charges which are meant to cover the cost of expensive power purchased by the DISCOM during the peak hours and also to discourage the consumers to consume more power during the peak hours.

22. The billing noted at Para 21 Supra is based on the Clause 10.5 of the Regulation 2/2006, wherein 228 units are apportioned for 96 blocks for total month and

deviations are reckoned for excess drawals / under drawals. The benefit of un-utilised portion of energy (under utilisation or excess generation over and above scheduled wheeling) from the solar generation during a billing month is kept in a separate account (Banking) and such energy accrued shall be treated in accordance with the conditions laid down in Appendix - 3 of the Regulation 2 of 2006.

Terms and conditions for Banking facility allowed to Wind, Solar and Mini-Hydel Power Generation as per Appendix - 3 of Regulation No.2/2006 as amended by Regulation No. 2 of 2014 are as follows:

1. Banking allowed during all the 12 months.
2. Drawals are subject to the following conditions:
 - a. The Banking year shall be from April to March.
 - b. Banking charges shall be in kind @ 2% of the energy delivered at the point of drawal.
 - c. Drawals from banked energy shall not be permitted during the five (5) month period from 1st April to 30th June and 1st February to 31st March of each financial year. In addition, Drawal of banked energy during the Time of the Day (TOD) applicable during peak hours, as specified in the respective Retail Supply Tariff Order, shall also not be permitted throughout the year.
 - d. The energy banked between the period from 1st April to end of 31st January of each financial year which remains unutilized as on 31st January, shall be purchased by the Discoms, as per the wheeling schedule. The energy credited into bank during the month of February and March of each financial year will be carried forward to the month of April of the next financial year for the credit of the banking account for the next year.
 - e. Generators have to communicate time block wise banked energy withdrawal schedule and allocations to respective Open Access/Scheduled consumers at least ten (10) days before the commencement of billing cycle.
 - f. The purchase price payable by the DISCOMs for unutilized banked energy will be equivalent to 50% of the Pooled Cost of Power Purchase, applicable for the financial year, as determined by the Commission under RPPO/REC Regulation (1 of 2012), DISCOMs shall settle such purchase transactions with the generators by 31st March of every year.

23. In the further written submission on 24.1.2017, the Appellant has contended that:

1. While apportioning the production in the entire month for each time block of the month, as per the above orders of APERC, certain portion of energy, that gets apportioned in the time blocks covered by the peak hours, and this energy will be treated as the peak energy on account of Solar Power and deducted from the recorded peak energy, and the balance peak energy, after deducting the peak energy on account of solar power, will be treated as from DISCOM and billed by them.
2. Thus the energy getting so apportioned, in the time block of peak hours, will become the energy on account of solar power and hence that quantity will have to be deducted from the recorded peak energy and billed. This is the concept behind the Regulation and the APEPDCL has rightly followed.

24. The basic purpose of apportioning the the actual generation during the entire month in each time block is for the purpose of **settlement** in respect of Scheduled/OA consumer availing supply from the OA Generators and **reckoning deviations**. Since there will be no prior Scheduled Energy for the renewable sources of energy, in the present case solar energy, the **actual generation** of energy shall be taken for settlement.

25. In the billing calculations shown above in para 21 Supra, the main consumption arrived at 5,84,134 units is by deducting the solar power generation of 6,56,446 units & Open Access units of 2,04,000 from total consumption of 14,44,580 units, which include all the energy in 96 time blocks including peak hour energy blocks. Hence, each block of 228 apportioned units in the period of TOD will be deducted from the total consumption, thereby the normal applicable billing tariff rate per unit, in this case Ps.560/unit, is deducted.

26. Clause 10.5 of Regulation 2 of 2006 (amended) clearly mandates taking into account of the actual generation only. Here one aspect has to be noted that the energy units recorded in peak energy hours in 15 minutes blocks will be billed twice, **one with normal energy charges as applicable as per tariff order and two in addition to these charges, TOD charges @Rs1/- per unit will be billed upon the energy units recorded in peak energy blocks**. The basis for levying TOD charges is to aid in flattening of the day load and TOD tariff is payable for energy consumed during peak hours by the consumers towards cost of expensive power purchased by the DISCOM during peak hours. The provisions in the said regulations do not permit deduction of TOD units @ Rs. 1/-

separately again over the normal units deducted. This aspect is not admitted/noticed by the Appellant. They have only stressed on deduction of TOD tariff only, but not normal tariff deductions during peak hours.

27. The phenomenon of billing of energy was clearly explained for the consumers who fall in the ambit of TOD in the latest Regulation of ERC. i.e in Clause 10.4 of Regulation 6 of 2016 dt.23.11.2016 (Regulation of connectivity with Grid & sale of electricity from the Roof-Top Solar Photovoltaic System) which is reproduced here under:

“ Where an Eligible Consumer is within the ambit of Time of Day(TOD) tariff, the electricity consumption in any time block, i.e. peak hours, off-peak hours etc. shall be first compensated with the quantum of electricity injected in the same time block. Any excess injection over and above the consumption in any other time block in a billing cycle shall be accounted as if the excess injected had occurred during off peak hours.”

28. **THE CONCEPT OF TIME OF DAY TARIFF/ PEAK HOUR:** This concept was initially started with the proposal of DISCOMs which resulted in a direction of ERC vide list of directives to DISCOMs. A directive 9 was given at page 181 of Tariff Order 2009-10 to the DISCOMs to prepare an approach paper of Time of Day Tariff duly considering such Tariff in other states and file the same by September 30,2009. The Licensees were further directed to file TOD tariffs in the next retail supply tariff filings based on the approach paper filed in this regard (para 445).

29. **Time of Day Tariff/Peak Energy Charges**
Tariff Order 2010-11(at page 8)

Further, as said earlier, the Licensees proposed an additional levy in the form of time of day tariff(ToD) for HT-1(A):Industrial Consumers (at all supply voltages-11kV/33kV/132kV).This tariff is an additional levy on the energy consumed at specified time period /time blocks as detailed below:-

Table 6: Proposed Time of Day(ToD) Tariff:

Period	Charge (Rs./kWh)
10 a.m. to 02 p.m	0.75
06 p.m. to 10 p.m.	1.00
Note: Proposed to be levied in addition to normal energy charges	

The above proposal was implemented as shown in Annexure -D of Tariff Order 2010-11 w.e.f. 1.8.2010 as shown in the following table at page 171 :-

HT Category - 1

A) INDUSTRY - GENERAL

DEMAND CHARGES & ENERGY CHARGES		
Voltage of Supply	Demand Charges Rs/kVA/month of Billing Demand	Energy Charges Paise/unit
132 kV and above	250	297
33 kV	250	325
11kV	250	352
* Rs.1.00/kWh Time of Day Tariff is leviable on energy consumption during the period from 06:00 PM to 10:00 PM , in addition to the normal energy charges at respective voltages		

30. Further the Tariff Order 2011-12 (at para 6) proposed incentives too as mentioned below:-

“The DISCOMS proposed an incentive for HT-IA consumers by way of reduced tariff during 12AM to 4AM every day during the off season period of 8 months. The reduction proposed is 50 paise/unit.Thus the HT-I A consumers are now proposed to have 3 tariffs operating on them in a day:-

Table 3 Tariffs in paise/unit for corresponding supply voltages :

Number of Hours	Time-slots	11 kV	33 kV	132 kV
16 hrs	4 AM to 6 PM & 10 PM to 12 AM	352	325	297
4 hrs	6 PM to 10 PM	452	425	397
4 hrs	12 AM to 4 AM	302	275	247

The Time of Day Tariff (peak rate) was introduced w.e.f. 01/08/2010 and the reduction at (3) above is now proposed in the tariff filings for FY 2011-12. The revenue impact of this incentive is stated to be as per table”.

31. IMPLEMENTATION OF TIME OF DAY TARIFF(2010-11)

In Chapter IX at page 157 of Tariff Order 2011-12 the proposal was implemented and

A) INDUSTRY - GENERAL

DEMAND CHARGES & ENERGY CHARGES		
Voltage of Supply	Demand Charges Rs/kVA/month of Billing Demand	Energy Charges Paise/unit
132 kV and above	250	297
33 kV	250	325
11kV	250	352
* Rs.1.00/KVAH Time of Day Tariff is leviable on energy consumption during the period from 06:00 PM to 10:00 PM , in addition to the normal energy charges at respective voltages		

32. The Tariff Order 2012-13 (at page 73) also contains TIME OF DAY (TOD) TARIFF ON HT-II: OTHERS.

The Licensees proposed to levy Time of Day (ToD) tariff on HT-II: Others consumer category during FY 2012-13. The objections / suggestions and Licensee responses and the Commission view are given below.

Commission’s View: (at page 74)

This category (HT - II Others), consists of all HT consumers who do not fall in any other HT consumer category. For the reasons mentioned by the Licensees in the above paras, the need for energy management during peak hours and the need for encouraging extensive energy conservation measures including planning of loads by consumers during peak hours, the Commission considers that levy of ToD charges on this category i.e., “HT-II Others” is appropriate. Given the wide diversity of loads in this category, the Commission envisages that some consumers will shift at least a part of their loads to off peak and thus avoid the

ToD charges for such quantum of energy. The Commission also hopes that the ToD charges will encourage consumers in this category to increasingly resort to use of energy conservation measures, which is one of the important objectives of the National Electricity Policy.

33. From the aforementioned reasons, it is apparent that TOD tariff is imposed only to cover the expensive power purchase by the DISCOMs which is an exclusive privilege and also to give incentives to the consumers to shift the usage to other time blocks and not for any other purpose. The plea of the Appellant that it is entitled to claim crediting of TOD units on account of Solar Power is not tenable, valid and sustainable.

34. As far as the claim of the DISCOM that the TOD units were wrongly credited to the account of the Appellant for the months of March,2014 to August,2014 is concerned, the contention of the Appellant that no prior notice was given and abruptly the amount was sought to be recovered through a revised bill for May,2015 is accepted as tenable. Keeping in view the nature of the claim and the controversy involved and facts, the claim of the DISCOM for recovery of benefit of TOD charges for the months of March,2014 to August,2014 is rejected. The issues are answered accordingly.

35. In the result, the Appeal is allowed partly holding that:-

- a. the Appellant is found not entitled to the benefit of TOD/Peak Hour units (except normal tariff).
- b. the demand of the DISCOM for recovery of TOD/Peak hour charges credited to the Appellant from March,2014 to August,2014 through a revised CC bill for May,2014 is set aside as not legal.
- c. the impugned orders are partly set aside to the extent indicated.

36. 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 18th day of March, 2017.

Sd/-

VIDYUT OMBUDSMAN

1. M/s Dr. Reddy's Laboratories Limited, Chemical Tech Ops Unit-II,
Plot Nos.110,111 and 121/3, 75B, 112,105, S.V.Cooperative Industrial Estate.
Bollaram, Jinnaram Mandal, Medak Dist - 502 325.
Tel: 08458 - 283641/283642.
2. The SAO/OP/Medak/TSSPDCL/Medak Dist.
3. The DE/OP/Sangareddy/TSSPDCL/Medak Dist.
4. The SE/OP/Medak Circle/TSSPDCL at Sangareddy.

Copy to:

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