

**BEFORE THE FORUM FOR REDRESSAL OF CONSUMER GRIEVANCES OF**  
**SOUTHERN POWER DISTRIBUTION COMPANY OF A.P LIMITED**  
**TIRUPATI**

**This the 28<sup>th</sup> day of March 2013**

**C.G.No:345/2012-13/Vijayawada Circle**

***Present***

***Sri K. Paul***  
***Sri A.Venugopal***  
***Sri T.Rajeswara Rao***  
***(Vacant)***

***Chairperson***  
***Member (Accounts)***  
***Member (Legal)***  
***Member (Consumer Affairs)***

***Between***

Sri. P.Leela Krishna Sastry  
C/o Pasumarthinivas  
DNo: 24-23-5/A  
Pasupuletivari Street,  
Durgapuram Post, Vijayawada City,  
Krishna-Dist-520003

Complainant

***And***

1. Chief General Manager/Finance/SPDCL/Tirupati

Respondents

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Sri. P.Leela Krishna Sastry, C/o Pasumarthinivas resident of DNo: 24-23-5/A, Pasupuletivari Street, Durgapuram Post, Vijayawada City, Krishna-Dist-520003 herein called the complainant, in his complaint dt:14-02-2013 filed in the Forum on dt:14-02-2013 under clause 5 (7) of APERC regulation 1/2004 read with section 42 (5) of I.E.Act 2003 has stated that

1. The Supreme court of India, in a case wherein the Deputy Chief Accountant and the AAO/ERO/Vijayawada were impleaded as the parties, in the matter of collection of Fuel surcharge, ordered that the Licensee has got powers to revise the tariffs but quashed the proposal of collecting Fuel surcharge from the consumers and also ordered that the Fuel surcharge if any shall be born by the Licensee only.

2. The said judgment while communicated to APSEB also had been published in law journal and law times at that time and is not revised later, but in force still.
3. In view of the said judgment, levy and collection of fuel charges are legal and void.
4. The distributing companies are collecting 6 paisa per unit under the head of fuel charge since a long time. After introduction of present fuel surcharge, also, the old rate of 6 paisa per unit is still continuing. It is not known how the two different amounts and collecting under one-head.
5. In view of the above judgment, it is not known under what authority the distributory companies and submitting proposals to collect fuel surcharge from consumers and how the APERC is allowing them to collect it.

**6. Technical and accounting aspects.**

- a. Time and again the Honourable Chief Minister of AP and Member, Genco are saying through Media, the increases of tariff from time to time is inevitable due to increasing of cost in production of electricity such as coal etc.
- b. They have also stated the present cost of production and distribution of electricity is not commercial one and it must be run on no profit no loss basis.
- c. It is presumed that the production cost includes all charges i.e. cost of fuel i.e. Coal, Naptha, Gas, Petrol, Diesel or Kerosene, what ever it may be depreciation in machinery, transport, labour, establishment charges etc.
- d. By reaching the consumer of domestic category, it may reach to Rs.6/- or Rs.7/- after taking into consideration of line losses, un accounted

for units, establishment charges etc.

- e. When once the fuel charge is included in production cost, for arriving production cost of unit, where is the necessity to include fuel charge once again in the bill under two separate heads, in addition to unit rate in which the fuel charge was already included.
- f. Further, no scientific methods are adopted in regrouping the consumers and amounts payable by them. For example: in last revision the consumer has to pay Rs.3.60 per unit after consuming 100 units i.e. Rs.1/- excess over above Rs.2.60 upto 100 units. Whereas in the present revision, the consumer who consumed 101 units, he has to pay Rs.5.65 i.e. Rs.3.05 over and above of 100 units i.e. Rs.2.60 upto 100 units. The distributory companies have to show the reasonable reasons and it must be in scientific method.

Notices were served upon the respondents duly enclosing a copy of complaint.

**The respondent-1 i.e. the Chief General Manager/Finance/SPDCL/Tirupati in his written submission dt:14-03-2013, received in this office on 16-03-2013 stated that:**

1. The subject matter of levy, inclusion and collection of FSA from the consumers is being followed as per the orders issued by the Honourable APERC from time to time.
2. 6 paise per unit is being collected from the consumers (Except Agl.) towards electricity duty as per orders of Govt. of AP and in turn the entire amount collected towards electricity duty is being paid to government of AP. So the same shall not be treated as fuel surcharge.
3. Fuel surcharge is being collected as per the orders of honourable APERC.
4. As per orders of Honourable APERC, Tariff is being adopted for the

consumption utilized by the consumers.

**Findings of the Forum:**

1. The grievance of the complainant comprises of multiple items mostly related to tariff order and various components of the CC.bills.
2. The main contention of the complainant is collection of FSA is against the court orders and violation of judgment given by the Honourable Supreme Court in the year not mentioned and he did not produce any copy of such judgment and not even mentioned the case number in absence of which it is very difficult to adjudge the factor whether it is a violation or not, but however the respondent mentioned that the FSA is collected in accordance with the orders of the honourable APERC from time to time and hence it cannot be disputed.
3. The complainant mentioned that the licensee is collecting 6 paisa per unit under the head of fuel charge since a long time even with the introduction of collecting fuel surcharge and hence it is not appropriate to collect the two different amounts under one head.
4. The respondent for the above replied that the collection of 6 paisa per unit is done in case of all the consumers except the agriculture and it is not under the head of FSA, but towards Electricity Duty as per the orders of the government of AP and the same is being paid to the government.
5. With regard to the different tariffs for different groups of consumers, the respondents reported that the tariff order is fixed by the honourable APERC and is adopted by the licensee.
6. As such it is felt by the Forum that all the items mentioned by the complainant are to be put-forth by him before the honourable APERC

only and the decision is not within the purview of the Forum.

In view of the above, the Forum passed the following order.

**ORDER**

The complainant is advised that he may approach the honourable APERC and put forth his grievances.

Accordingly the case is allowed and disposed off

If aggrieved by this order, the complainant may represent to the Vidyut Ombudsman, O/o the APERC, 5<sup>th</sup> floor, Singarenibhavan, Redhills, Hyderabad-500004, within 30 days from the date of receipt of this order.

Signed on the 28<sup>th</sup> day of March 2013

Sd/-  
**Member (Legal)**

Sd/-  
**Member (Accounts)**

Sd/-  
**Chairperson**

**Forwarded by Orders**

**Secretary to the Forum**

To  
The Complainant  
The Respondents  
Copy submitted to the Honourable Ombudsman, APERC, 5<sup>th</sup> floor, Singarenibhavan, Redhills, Hyderabad-500004.  
Copy to the General Manager/CSC/Corporate office/Tirupati for pursuance in this matter.

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