# BEFORE THE FORUM FOR REDRESSAL OF CONSUMER GRIEVANCES

# IN SOUTHERN POWER DISTRIBUTION COMPANY OF A.P.LIMITED TIRUPATI

On this the 20th day of February 2018

In C.G. No: 218/2017-18/Kurnool Circle

#### Present

Sri. A. Jagadeesh Chandra Rao Sri. A. Sreenivasulu Reddy

Sri. D. Subba Rao

Sri. Dr. R. Surendra Kumar

Chairperson Member (Finance) Member (Technical) Independent Member

## BETWEEN

Smt. M.G.V. Padmavathi, Shop No. 8 and 9, Opp. Sivasadanam, Srisailam, Kurnool Dt. Complainant

### AND

1. Assistant Accounts Officer/ERO/Nandikotkur

2. Assistant Engineer/O/ Srisailam

3. Assistant Divisional Engineer/O/Atmakur

4. Divisional Engineer/O/Kurnool

Respondents

# ORDER

- During the Vidyut Adalat conducted at Srisailam on 16.11.17 Smt. M.G.V. Padmavathi of Sivasadanam Shop. No.8 and 9 of Srisailam presented a complaint before this Forum wherein she has informed that capacitor surcharge is being levied every month from 03/2017 onwards though she has provided adequate capacitors. Finally she has requested to waive the capacitor surcharge amount levied.
- 2. The Respondents 1, 2 and 3 submitted their written submissions separately. The Respondent. No.1 in his averment has apprised that as per the office records capacitor surcharge has not been levied and he has enclosed account copy from Jan'2017 to December'2017. The Respondent No.2 in his reply has submitted that capacitor surcharge has been levied and hence advised the complainant to replace the defective capacitor to avoid capacitor surcharge. The Respondent. No.3 has explained that the complainant's service No. 8331303001038 is under LT Category -2 with a contracted load of 7 KW with 3 phase meter. Since KWH billing is being done for the service, capacitor surcharge amount will be levied in CC bill if consumer unable to maintain power factor of 0.95. He had also advised the complainant to maintain power factor of

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C.G.No.218/2017-18 Kurnool Circle

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0.95 by using required capacitor ratings to avoid levy of capacitor surcharge. On perusal of the averments of the Respondents it is observed that none of the Respondents have verified the rule position before submitting written submissions to the Forum.

- 3. As could be observed from the account copy of the said service connection under question it is observed that an amount of Rs. 243.91 was levied as 25% capacitor surcharge during 10/2016 being 25% amount on energy charges of 589.80 and fixed charges of Rs.385.84. No capacitor surcharge was levied during subsequent months.
- 4. The Rule position regarding levy of capacity surcharge is explained below: In accordance with Clause 12.1.1 of General Terms and Conditions of Supply "Failure to install/maintain capacitors by consumers in accordance with the provisions under Clause 5.13.1 will be treated as violation of GTCS and attracts levy of capacitor surcharge at the rates specified by the commission in the Tariff Orders issued from time to time or otherwise.

Clause 12.1.2 of GTCS regarding the procedure to be followed in respect of LT consumers is reproduced here under:

"If the capacitors already installed are found, during inspection of the premises of a LT consumer, damaged or become defective or cease to function or derated, the consumer shall be served with a notice by the Designated Officer to get the same replaced/rectified or corrected within 30 days from the date of notice in accordance with the format prescribed in Appendix VIII(A) herein, and intimate the fact of replacement/rectification or correction to the Designated Officer of the Company who will inspect the capacitors again to verify their satisfactory performance. In the event of failure on the part of the consumer to comply with the above notice, the company may levy a surcharge as specified by the commission in the Tariff Orders issued from time to time or otherwise from the consumption month of the date of inspection till such time the capacitor is replaced/rectified or corrected. Provided further that retrospective levy if any of surcharge shall not extend to beyond one year prior to the date of inspection. The consumer aggrieved by the retrospective levy, may appeal to the authority/officer designated for this purpose in the "Designated Officers' Notification' whose decision shall be final.

Clause 12.1.3 of the GTCS "The failure on the part of the consumer to comply with the above notice as per Clause 12.1.2 shall be treated as violation of GTCS and the company reserves the right to terminate the contract and collect the sum equivalent to the minimum charges for the balance initial period of agreement.

In accordance with the above rule position the Respondents should issue a notice for rectification/replacement of defective capacitor as per Appendix VIII (A) on the consumer and if the consumer fails to replace/rectify the capacitor within 30 days from the date of the notice another notice as contemplated in Appendix VIII(B) shall be issued for recovery of capacitor surcharge amount

- 5. But as could be seen from the averments of Respondents it is noticed that the Respondents have straight away levied the capacitor surcharge referring to the tariff conditions but ignoring the provisions contained in GTCS as approved by the Hon'ble APERC. Hence the levy of capacitor surcharge without issuing the notices is not justifiable and the Licensee is not entitled to levy the capacitor surcharge without issuing the notices. Hence the entire capacitor surcharge levied on the above complaint is liable to be withdrawn.
- 6. In the circumstances explained above and in view of the rule position the Respondents are directed to withdraw the capacitor surcharge amount included against the service of the Complainant together with the belated payment surcharge levied on such capacitor surcharge amount, if any within 15 days from the date of receipt of this order and compliance shall be submitted within 15 days thereafter. Accordingly the complaint is disposed off in favour of the Complainant.

If aggrieved by this order, the Complainant may represent to the Vidyut Ombudsman, Andhra Pradesh, Flat No:401, 4<sup>th</sup> Floor, Ashoka Chambers, Opposite to MLA Quarters, Adarsh Nagar, Hyderabad-500063, within 30 days from the date of receipt of this order.

Signed on this, the day of 20th February 2018.

Sd/-

Sd/-

Sd/-

Sd/-

Member (Finance)

Member (Technical)

**Independent Member** 

Chairperson

Forwarded By Orders

Secretary to the Forum

To

The Complainant

The Respondents

Copy to the General Manager/CSC/Corporate Office/ Tirupati for pursuance in this matter. Copy to the Nodal Officer (Chief General Manager/Operation)/CGRF/APSPDCL/TPT Copy Submitted to the Vidyut Ombudsman, Andhra Pradesh, Flat No: 401, 4th Floor, Ashoka Chambers, Opposite to MLA Quarters, Adarsh Nagar, Hyderabad-500063. Copy Submitted to the Secretary, APERC, 11-4-660, 4<sup>th</sup> Floor, Singareni Bhavan, Red Hills, Lakdikapool, Hyderabad-500 004.