

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

On this the 28th day of March 2019

In C.G.No:107 / 2018-19/Anantapur 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

**M/s. Rhodium Ferro Alloys Pvt. Ltd,
16/18, APIIC,
Industrial Park,
Hindupur,
Anantapur – Dist**

Complainant

AND

**1. Chief General Manager/R& IA/Tirupati
2. Senior Accounts Officer/O/ Anantapur
3. Superintending Engineer/O/Anantapur**

Respondents

* * * * *

ORDER

1. a) Complainant presented a complaint requesting to exempt from payment of deemed energy charges as they have availed lightening load.
- b) The case of the complainant in brief is that they have applied for de-ration of CMD from 8000 KVA to 150 KVA duly fixing necessary metering arrangements with low ratio CT's for the purpose of lighting load. Accordingly approval was granted for de-ration and as per the directions of CE/ Zone/Kurnool they have remitted Rs.77,560/- on 03.08.2015 and accordingly three No's 33 KVCT's of ratio 25/1 A were fixed. They have shut down the unit completely, employees had been laid off and there were no activities of production during that period, they maintained only lightening load to safeguard the industrial equipments/ machineries from theft. But they received demand notice towards deemed energy charges without considering the lightening.
- c) Complainant is requesting to consider the de-rated period as disconnection period where the power connection is de-rated to 150 KVA by replacing the existing CT's ratio to safeguard the industry and exempt the calculation of deemed energy charges.

DESPATCHED

DATE 1/4

- d) They have withdrawn the complaint in view of issuing of G.O. Ms. No.133 Dt: 17.10.2016 and G.O.RT No.148 Dt: 31.10.2016 wherein it was ordered for waiver of deemed consumption charges up to Mar '2016. The Hon'ble APERC had ordered on 26.08.2017 to declare the demand for deemed consumption charges to be contrary to the earlier order of the Commission dt: 06.4.2016 and the tariff order dt: 30.03.2013 in O.P No's. 1 & 2 of 2013 and set aside the demand raised by the respondents on the petitioners and directed the respondents to implement the order of the Hon'ble Commission dt: 18.02.2016 not to levy deemed consumption charges during disconnection period and for other orders.
- e) Respondents have not considered their request to consider the period of lightening load as disconnection period and exempt the deemed energy charges. Hence the complaint.
2. SAO/O/Anantapur filed written submission stating that load has been de-rated from 8000 KVA to 150 KVA on 24.05.2015. Deemed energy charges were calculated as per the Tariff Order 2015-16 and a notice was issued to the consumer to pay Rs.33,64,135/- while calculation of deemed energy charges de-rating of load w.e.f. 24.05.2015 was considered. The request of consumer cannot be considered as there was no provision in the Tariff Order. Hence deemed energy charges for 2015-16 were calculated and notice was issued. The complaint may be dismissed.
3. Personal hearing was conducted on 29.01.2019. Both parties reiterated their versions. Complainant further stated that he requested the respondents only to provide lightening load with a view to protect the factory. It is not possible for him to run the industry with a meagre load of 150 KVA. Licensee also waived deemed consumption charges for the services which were under disconnection. Had he committed default in payment of CC charges the service would have been disconnected enabling him the benefit of availing waiver of deemed consumption charges as availed by the consumers of similar Ferro Alloys Industry. He could have also obtained another service connection for the lightening purpose only under LT Category. But as an honest consumer he had requested to de-rate the load to 150 KVA from 8000 KVA only for lightening purpose. Respondents knowing fully well all these aspects permitted to de-rate the load and now they are insisting him to pay deemed energy charges which is illegal arbitrary and not sustainable.

4. On the other hand respondents stated that the consumer availed energy for the months of April and May with CMD of 8000 KVA. The load was de-rated at the request of consumer only. So the existing tariff prevails and consumer is liable to pay deemed energy charges even he has not availed supply for his industry and availed only for lightening purpose.
5. The point for determination is whether the respondents are entitled to collect deemed energy charges when the complainant load was de-rated from 8000 KVA to 150 KVA for lightening purpose only for the year 2015-16 ?
- a) Respondent No.1 in Memo. No. CGM(R&IA)/GM (R) / AO- HT/JAO – HT/D.No. 1259/15 Dt: 17.11.15 stated as “ M/s. Rhodium Ferro Alloys (P) Ltd. became sick and requested for considering the date of de-ration for de-ration of CMD from 8000 KVA to 150 KVA as 24.05.2015 (i.e. the date of approval of de-ration). Further the consumer is requesting for exemption from payment of ACD amount, as the CMD was de-rated from 8000 KVA to 150 KVA and they have shut down their factory and using lightening load only”.
- b) So the recitals in the above memo shows that the consumer had apprised the respondents that the industry became sick and he was shutting down the industry and for what purpose he is de-rating the load from 8000 KVA to 150 KVA and to avail the same for lightening purpose only.
- c) It is admitted by the respondents during the personal hearing that Licensee is not collecting deemed energy charges during the period of disconnection for similar Ferro Alloys Industries. Had the complainant got his service disconnected and applied for a separate service connection for lightening purpose under LT category, respondents are bound to release the service connection for lighting purpose under LT category and would have allowed the benefit of waiver of deemed charges to the consumer during the disconnection period. Consumer also would not have applied for a separate service connection with a load of 150 KVA for his lightening purpose only and he could have saved more amount.
- Respondents though aware of the need of the consumer and the purpose for which he is de-rating his load ought to have advised him to adopt the above procedure instead of seeking de-ration of load. Complainant cannot be penalised for his ignorance of other possible avenues to save money when the industry became sick and unit was shut down.

- d) Once the consumer explains his need while requesting to de-rate his load for lightening purpose it is the bounden duty of the field officers to guide him properly by explaining pros and cons of choosing a particular category as they are well versed with the subject. Consumer cannot be penalised for lack of expertise knowledge in choosing the best available option for availing power at the cheapest rate.
- e) The Forum is of the view that the benefit extended to other similar Ferro Alloy Industries shall also be extended to the complainant's industry in availing the benefit of waiver of deemed energy charges during the disconnection period by treating the de-ration of load made by the consumer as period of disconnection. In this case as the complainant availed supply for lightening purpose, he is bound to pay all charges for 150 KVA under HT category exclusively for lightening purpose as per prevailing tariff.

6. In result respondents are directed to waive the deemed energy charges levied on the consumer from the date of de-ration of the load and issue revised bills for 150 KVA under HT category exclusively for lightening purpose as per prevailing tariff. The excess amount if any collected from the consumer shall be refunded by way of adjustment of future electricity bills.

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

This order is passed on this, the day of 28th March 2019.

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 (Executive Director/Operation)/CGRF/APSPDCL/TPT.

Copy Submitted to the Vidyut Ombudsman, Andhra Pradesh , 3rd Floor, Sri Manjunatha Technical Services, Plot No:38, Adjacent to Kesineni Admin Office, Sri Ramachandra Nagar, Mahanadu Road, Vijayawada-520008.

Copy Submitted to the Secretary, APERC, 11-4-660, 4th Floor, Singareni Bhavan, Red Hills, Lakdikapool, Hyderabad- 500 004.