

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

**On this the 1<sup>st</sup> day of August 2019**

**C.G.No:87/2019-20/Vijayawada Circle**

**Present**

**Sri. A. Jagadeesh Chandra Rao  
Sri. A. Sreenivasulu Reddy  
Sri. D. Subba Rao**

**Chairperson  
Member (Finance)  
Member (Technical)**

**Between**

**C. Lakshmana Rao  
Elachetladibba,  
Nagayalanka,  
Krishna –Dist.**

**Complainant**

**AND**

1. Assistant Accounts Officer/S-ERO/Avanigadda
2. Assistant Executive Engineer/O/Nagayalanka
3. Deputy Executive Engineer/O/Avanigadda
4. Executive Engineer/O/Vuyyuru

**Respondents**

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**ORDER**

1. C. Lakshman Rao resident of Elachetladibba (V) of Nagayalanka (M) presented a complaint before this Forum wherein he has stated that he is having an industrial service connection bearing No. 6722229000459 Vakkapatlavaripalem. He has been paying the electricity bills regularly for the above said service connection from time to time. During Jan'2019 he has received a huge bill of Rs,18,92,216/-. When he has approached the respondent No.3 and enquired about the huge bill the respondent has apprised that the service connection was billed under Cat-III Sub- Category (01) for prawn culture purpose instead of Industrial Normal Category. Due to erroneous sub categorisation of the service right from the date of supply, now the bills have been revised and an amount of Rs. 18,92,216/- was included in the demand and informed him to pay the shortfall amount in 2 installments. The complainant has alleged that the entire amount was included in the bill without giving any notice and furnishing the reasons for inclusion of such huge amount. He further submitted that he has started the ice business in Nagayalanka (M) as startup business. His total income for the year is around 48.43 lakhs and yearly expenditure is

**DESPATCHED**  
**DATE** 2/8

around 46.13 lakhs with a profit margin of about 5 % on total investment. Due to fault of the department he was pushed to pay the huge sum which is almost 36 times of his profit for the year and is heavy burden on him. Finally he has requested to arrange to withdraw the shortfall amount included in the bill based on humanitarian grounds and requested for justice.

2. Respondents No. 1,2 and 3 submitted written replies separately but the contents are one and the same. The respondents have submitted that an industrial service bearing No. 6722229000459 was released on 25.09.2017 with a contracted load of 99 HP under LT Cat- 3 (A). During Dec'2018 all the consumers of prawn culture got benefited due to aqua subsidy implemented by Government of A.P. It was noticed that complainant service also came under subsidy along with other aqua consumers even though his service was released under LT Industrial Normal Category. At this juncture the erroneous classification was noticed that the service was billed under aqua sub category instead of Industrial Normal Category. To avoid loss of revenue to the Licensee shortfall demand was raised as per the tariff order and included in Jan'2019 CC bill for an amount of Rs. 18,92,216/- .
3. A personal hearing was conducted on 26.07.2019 at Avanigadda . The complainant and all the respondents attended. Heard both the parties.
4. Point for determination is whether the respondents are entitled to collect the shortfall amount being the differential tariff for Industrial Normal Category and aqua culture category from the date of supply ?

The case of the complainant is that he has obtained industrial service connection for 99 HP and paying bills regularly. The respondents have included a shortfall amount of Rs.18,92,216/- during Jan'2019 without issuance of any notice and insisting him to pay the entire amount is not sustainable and hence requested to order to withdraw the shortfall amount. He has also pleaded that he has priced his finished product at cost plus concept with a meagre profit. Raising of shortfall amount after more than two years and insiting him to pay the shortfall amount is against the principles of natural justice and he is not in a

position to pay such huge amount. Since there is no fault on his part and the erroneous classification was committed by the respondents only he is not liable to pay the shortfall amount and hence requested to withdraw the entire shortfall amount.

On the other hand respondents have submitted that while issuing the electricity bills the sub-categorisation of industrial service connection was erroneously done under aqua culture and bills were issued with subsidised tariff instead of normal industrial tariff. Hence shortfall has been arrived from the date of supply of service connection and included the shortfall amount during Jan'2019. The fact of mis-classification was also explained to the complainant in detail and requested him to pay the amount in 2 installments.

Clause No. 3.4.1 of GTCS as approved by the Hon'ble Commission is as follows :

*"Where a consumer has been classified under a particular category and is billed accordingly and it is subsequently found that the classification is not correct (subject to the condition that the consumer does not alter the category/ purpose of usage of the premises without prior intimation to the Designated Officer of the Company), the consumer will be informed through a notice, of the proposed reclassification, duly giving him an opportunity to file any objection within a period of 15 days. The Company after due consideration of the consumer's reply if any, may alter the classification and suitably revise the bills if necessary, even with retrospective effect, the assessment shall be made for the entire period during which such reclassification is needed, however, the period during which such reclassification is needed cannot be ascertained, such period shall be limited to a period of twelve months immediately preceding the date of Inspection".*

The above rule position clearly denotes that the Licensee is entitled to reclassify the service connection if it is subsequently found that the classification is not correct and even with retrospective effect. The assessment made by the respondents are in consonance with the above clause and hence the point is answered accordingly.

However the Forum is of the view that if the complainant is compelled to pay the entire shortfall amount of nearly 27 months at a time in lumpsum he may be put to financial difficulties and the industry may become sick. Though the rule position authorizes the respondents to collect the entire shortfall amount, it is not appropriate to insist the complainant to pay the amount in lumpsum. The complainant can be given 12 equated monthly installments to pay the shortfall amount without surcharge so that he can clear the amount in installments and continue his business.

5. In result the respondents are directed to allow the complainant to pay the balance shortfall amount in 12 equal monthly installments without surcharge.
6. Accordingly the complainant is disposed off.

If aggrieved by this order, the Complainant may represent to the **Vidyut Ombudsman, Andhra Pradesh**, 3<sup>rd</sup> Floor, Sri Manjunatha Technical Services, Plot No:38, Adjacent to Kesineni Admin Office, Sri Ramachandra Nagar, Mahanadu Road, Vijayawada-520008, within 30 days from the date of receipt of this order.

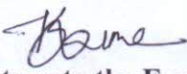
This order is passed on this, the day of 1<sup>st</sup> August 2019.

Sd/-  
**Member (Finance)**

Sd/-  
**Member (Technical)**

Sd/-  
**Chairperson**

**Forwarded By Order**

  
**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, 3<sup>rd</sup> 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, 4<sup>th</sup> Floor, Singareni Bhavan, Red Hills, Lakdikapool, Hyderabad- 500 004.