

CONSUMER GRIEVANCES REDRESSALFORUM
SOUTHERN POWER DISTRIBUTION COMPANY OF A.P LIMITED,
TIRUPATI

This the 26th day of February' 2024

C.G.No.121/2023-24/Kurnool Circle

CHAIRPERSON

Sri. V. Srinivasa Anjaneya Murthy
Former Principal District Judge

Members Present

Sri. K. Ramamohan Rao	Member (Finance)
Sri. S.L. Anjani Kumar	Member (Technical)

Between

V. Anil (Director), Sumeru Energy Pvt. Ltd,
Beside IOC Petrol Pump, Santhosh Nagar,
Balaji Nagar Post, Kurnool.

Complainant

AND

1. Executive Engineer/O/Dhone
2. Superintending Engineer/O/Kurnool
3. Senior Accounts Officer/O/Kurnool

Respondents

This complaint came up for final hearing before this Forum through video conferencing on 20.02.2024 in the presence of the complainant and respondents and having considered the complaint and submissions of both the parties, this Forum passed the following:

ORDER

- 01.** The complainant filed the complaint stating that they installed 5MW PV Solar Power Generator connected to 33/11 KV Jagadurthi SS, Dhone (M) as per NCE Solar PPA # 163/2014 dt: 27.05.2014, that at the time of commissioning of the work in 2016 they were asked by the respondents to



apply for HT connection towards identification of “Auxiliary Consumption” and accordingly they were given 70 KW HT connection, KNL-716 even though their load was less than 5 KW, that as per their PPA

“the solar developer is entitled to draw the power for its Auxiliary Consumption the limit of which is specified from DISCOM, the energy supplied by DISCOM to the solar power developer through a bilateral agreement, to maintain the auxiliaries of the power plant in situation of non-generation of power in any billing month shall be adjusted from the delivered energy i.e. net off energy = delivered energy by the developer at inter connection point – energy drawn from DISCOM for auxiliaries, that in lieu every month their auxiliary consumption was deducted from their generated energy supplied to DISCOM and net off energy (KWh) was billed for payments, but however from 01.10.2018 the above mentioned procedure was stopped and they were informed that as per the directions of APERC they shall be raised an invoice for monthly auxiliary consumption as per special Category HT- II (F) @ Rs.12.25 /KWh, that from 01.01.2023 without any prior intimation they were billed for their monthly auxiliary consumption in KVAh instead of KWh and they strongly object to KVAh billing for solar power generators and request for exemption from KVAh billing for the following reasons:



- A) It is not an industry*
- B) It has no induction loads*
- C) It has no startup loads*
- D) It has only generators*
- E) The consumption is only for auxiliary usage
which has a connected load of less than 5KW*
- F) The auxiliary consumption primarily consists of lighting loads*
- G) When there is no generation the invertors will still be
connected to the grid*
- H) The capacitors inside the invertors suppress the harmonics too, are in
turn connected to the grid making the power factor go into lead which
will actually compensate the reactive KVAh, benefitting the grid.*

Thus, the solar power generators should not be subjected to KVAh billing and should revert back to KWh billing for auxiliary consumption and thereby the complainant request for exemption of solar power generators from KVAh billing.

02. The said complaint was registered as C.G.No.121/2023-24 and notices were issued to the respondents calling for their response. The respondents submitted their response stating that the service HT KNL-716 is being billed under KVAh billing in compliance with the orders of the Hon'ble APERC dt:22.07.2021 and the existing meters were replaced with DLMS Protocol meters in December'2022 in the presence of the consumers, that the complainant maintained power factor more than 0.95 KVAh upto 01.01.2023 only and from then the complainant failed to maintain the same and due to low PF KVAh units are more than KWh and the complainant

maintained power factor in lead side due to over capacitance and hence there is huge difference between KWh consumption and KVAh consumption. It is further submitted that as per the tariff order F.Y. 2023-24, HT consumers who are provided with metering capable of measuring active and reactive power under the orders of the Hon'ble APERC shall maintain their power factor perfectly in between 0.95 lag and 0.95 lead in the interest of the system security and they should not maintain the power factor leading side less than 0.95 lead and if any consumer maintains the power factor less than 0.95 lead for a period of 2 consecutive months, it must be brought back in the range of + or - 0.95 within a period of 3 months failing which without prejudice to such other rights as having occurred to the licensees or any other right of the licensees, the supply to the consumer may be discontinued. It is further submitted that as per the tariff order for the F.Y.2020-21, the service was billed under Category-II (B) and the same is continued under Category-II (D) and bills are issued for KVAh units as per the existing procedure. RMD of the service is more than the load taken by the consumer. As per the existing Solar Roof Top Policy, Roof Top Projects with installed capacity over than 56 KW shall be eligible to get connected to either LT/HT service at LT/HT distribution network. The complainant took the load of 70 KVA at the time of release of supply under HT category. Net off energy shall be



taken into consideration for billing for only solar roof top services and the bills will be issued for only import units and export units shall be billed at SLDC as per the existing procedure. For the service of the complainant herein bills were never issued for net off consumption. Thus, the respondents prayed for dismissal of the complaint.

03. Heard both the parties through video conferencing.
04. Now the point for determination is :

“Whether the complainant is entitled for exemption of their solar power generators from KVAh billing and whether they are entitled to KWh billing as prayed for”?

05. The case of the complainant is that they have established 5 MW PV solar power generator connected to 33/11 KV Jagadurthi SS in the year 2016 as per NCE Solar PPA#163/2014 dt: 27.05.2014 and they were asked by the department for apply of HT connection towards identification of auxiliary consumption and accordingly they were given 70 KW HT connection though their load was less than 5 KW and every month their auxiliary consumption was deducted from generated energy supplied to the DISCOM and net off energy was billed for payments in KWh but however from 01.10.2018 the above said procedure was stopped and they were informed that as per the directions of Hon’ble APERC the invoice shall be



raised for monthly auxiliary consumption as per special Category HT-II (F) at Rs.12.25/KWh. It is the further contention of the complainant that from 01.01.2023 without any prior intimation they were billed for their monthly auxiliary consumption in KVAh instead of KWh to which they raised objection on the ground that their company is not an industry, that it has no startup loads and there are generators only and their consumption is only for auxiliary usage which has a connected load of less than 5 KW and hence they requested the respondents for exemption of solar power generators from KVAh billing and to raise the bills in KWh for the auxiliary consumption but the respondents refused to accept their request.

06. On the other hand, it is the claim of the respondents that the HT service of the complainant was released on 01.11.2016 with connected load of 70 KVA and the service was billed under Category-II (F) which is applicable for supply of electricity to startup power for captive generating plants, co-generation plants and renewable generation plants as per tariff order for F.Y. 2018-19 and as per the tariff order for F.Y. 2019-20 the service was billed under Category-II (D) and as per the tariff order F.Y.2020-21 the service was billed under Category- II (B) and the same was considered under Category-II (B). It is the further claim of the respondents that the consumer took the load of 70 KVA at the time of release of supply under



HT category and net off energy shall be taken into consideration for billing for only solar roof top services and bills are issued for only import units and export units shall be billed at SLDC as per the existing procedure and bills were never issued for net off consumption to this service. The respondents further contend that as per the Tariff Order F.Y.2023-24, HT consumers who are provided with metering capable of measuring active and reactive power under the orders of the Commission shall maintain their power factor preferably in between 0.95 lag and 0.95 lead in the interest of the system security and here in the case on hand the complainant failed to maintain power factor more than 0.95 and hence there is huge difference between KWh consumption and KVAh consumption.

07. We have considered the respective contentions of both the parties carefully. The Hon'ble APERC in its order on Tariff for Retail Sale of Electricity during F.Y.2019-20 provided for unblocking of leading KVAh. The same is reproduced hereunder:

Chapter-IX page No.247 para No.398:

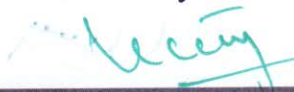
Unblocking of leading kVAh:

“For the purpose of billing, leading KVAh is blocked hitherto for all categories of consumers in LT except domestic and Agriculture and for all categories of consumers in HT. As kVAh billing is taking care of the reactive power management by

the consumers, the Commission has decided that the blocked leading kVArh recording in the meters provided for applicable consumers be unblocked. Therefore, the licensees are hereby directed to take note of this change and action shall be taken accordingly”.

According to the said orders, the KVArh lead in respect of the service connection of the complainant was unblocked by the respondents. Since the service connection of the complainant is not a domestic/Agriculture, KVArh lead was unblocked and the said service is billed under KVAh and the question of billing under KWh does not arise in the case on hand as per the orders of the Hon’ble APERC referred supra.


08. The respondents are rightly billing the service of the complainant under Category-II (B) startup power-HT as per the Tariff orders of the Hon’ble APERC for F.Y.2023-24. Nowhere in the tariff order the Hon’ble APERC exempted solar power generators from KWh billing and ***hence the respondents are rightly billing the service of the complainant in KVAh.***
09. In view of the tariff orders of the Hon’ble APERC, ***the complainant is not entitled for KWh billing of his service*** and the complaint is devoid of merits and is liable to be dismissed. Accordingly, the point is answered.
10. ***In the result,*** the complaint is dismissed. There is no order as costs.
11. The complainant is informed that if he is aggrieved by the order of the Forum, he may approach the Vidyut Ombudsman, 3rd Floor, Plot.No.38,



Adjacent to Kesineni Admin Office, Sriramachandra Nagar, Mahanadu Road, Vijayawada-08 in terms of Clause.13 of Regulation.No.3 of 2016 of Hon'ble APERC within 30 days from the date of receipt of this order and the prescribed format is available in the website vidyutombudsman.ap.gov.in.

Typed to dictation by the computer operator-2 corrected and pronounced in the open Forum on this 26th day of February'2024.


CHAIRPERSON


Member (Finance)


Member (Technical)

Documents marked

For the complainant: Nil

For the respondents: Nil

Copy to the

Complainant and All the Respondents

Copy Submitted to

The Chairman & Managing Director/Corporate Office/APSPDCL/ Tirupati.

The Vidyut Ombudsman, 3rd Floor, Plot No.38, Sriramachandra Nagar, Vijayawada-08.

The Secretary/Hon'ble APERC/Hyderabad-04.

The Stock file.