

BEFORE THE VIDYUT OMBUDSMAN

::Present::

C.Ramakrishna

Date: 01-03-2014

Appeal No. 131 of 2013

Between

M/s. Solar Semiconductor Pvt. Ltd.

H. No. 8-2-293/82/L/271/A, MLA Colony

Road No. 12, Banjara Hills

Hyderabad 500 034

... Appellant

And

- 1. The Divisional Engineer, Operation, Champapet, APCPDCL, RR District.**
- 2. The Senior Accounts Officer, Operation, RR South Circle, APCPCL,
Hyderabad.**
- 3. The Superintending Engineer, Operation, RR South Circle, APCPDCL,
Hyderabad.**

... Respondents

The above appeal filed on 06-02-2014 has come up for final hearing before the Vidyut Ombudsman on 01-03-2014 at Hyderabad. Sri. A.D. Nandan Kumar, the authorized representative of the appellant as well as the 2nd respondent were present. Having considered the submissions of the appellant, the respondent and the material available on record the Vidyut Ombudsman passed / issued the following:

AWARD

The appeal arose out of the grievance of the appellant that the appellants have been subjected to minimum demand charges by the respondents during the period when R&C measures were in existence. Their contention is that they will not be subject to MD charges during R&C period. The CGRF(Greater Hyderabad Area) dismissed their complaint on 10.01.2014 vide its order in CG No: 1204/2013-14. The appellant in his written appeal filed before this authority stated that theirs is a solar PV cells and modules manufacturing unit operating since 2010 in Fab City as a constituent of Electronic Hardware industry; that their facilities operate in a highly conditioned environment requiring continuous power supply for operational purposes; that based on their representation, APCPDCL had also exempted them from statutory power cuts vide its order dated 08.04.2013; that due to the slowdown in the industry they are not operating their full capacity of 2600 kVA in the last three years; that in such a situation, the R&C regime has put them in lot of difficulties resulting in undue shut down of the plant leading to heavy financial losses; that to bring down the losses, they have even derated their CMD from 2600 kVA to 1500 kVA from the month of July 2013; that while things stood thus, all of a sudden a huge CC bill for the month of October 2013 appeared with an arrear amount of Rs. 8,14,240/- toward MD charges shortfall for the months of May & June 2013; that on enquiry they learnt that the charges were levied on 80% minimum demand billing instead of on RMD; that it's not understood by them as to they were singled out from other consumers for minimum billing requirement and penalised while all other consumers in the CPDCL area have been billed only on RMD basis; that it is not understood as to why the arrears were levied so late in October 2013 while the same was not shown in the regular CC bills for May & June 2013; that the raising of the arrears bill in a delayed manner was an afterthought by the DISCOM; that the R&C guidelines issued by the APERC lay down that billing demand shall be based on RMD only and clause 6 of Chapter 24 of the tariff order 2013-

14 shall not apply during R&C period and hence that 80% minimum billing demand on the CMD cannot be levied; and that their approaching the CGRF only resulted in a slight reduction in the arrear amount while their complaint was dismissed. They suspected that the APCPDCL has not followed the R&C guidelines issued by the APERC and also submitted the record / history of demand and consumption from February 2010 to October 2013. They finally prayed for withdrawal of the excess demand charges, wanted that the SAO be directed not to demand the disputed amount of Rs. 6,05,342/- and to restrain the ADE from disconnecting power supply pending finalization of the appeal before the Vidyut Ombudsman. They filed copies of the CGRF order, a copy of the R&C orders issued by APERC on 14.09.2012, a copy of the letter dated:07/12/2013 written by the SE, Operation, RR South Circle to the CGRF, a copy of the letter dated 19.08.2013 addressed by them to the SAO, RR South Circle enclosing copy of the bill for the month of July & May 2013, a copy of the letter dated 08.04.2013 addressed to them by the SE, Special, APCPDCL and a copy of the letter dated 19.06.2013 addressed to them by the CGM, Commercial, APCPDCL. On 17.02.2014, they filed another representation before the Ombudsman stating that the respondent SAO had sent them a notice asking them to pay the outstanding amount within seven days on pain of disconnection and requested to consider their case. While giving interim directions to the respondent officers not to disconnect the supply of the appellant till 01.03.2014, it was decided to hear the appeal early and accordingly notices to the respondents were issued directing them to file their written submissions before this authority within 10 days of their receiving the notice of hearing on 01.03.2014.

While the 1st and 3rd respondents did not attend the hearing or file any written submissions, the 2nd respondent appeared for the hearing conducted on 01-03-2014 and filed written submissions stating inter alia that the appellant approached the CGRF, contesting the

revision of bills raised for the months of May & June 2013; that bills for the months of May & June 2013 were originally raised as per R&C billing rules on recorded kVA and units; that the demand so raised was revised in by raising supplementary R&C bills; that the appellant is exempted from R&C measures with effect from 05.04.2013; that soon after receipt of the exemption orders, in view of the powers delegated to the 3rd respondent, the revised R&C demand was withdrawn; that in view of the exemption of the appellant from R&C measures, they have to be billed under 80% billing as per existing tariff; that their bills for the months of May & June 2013 were accordingly revised in the month of October 2013 showing the difference to be paid; that having taken note of these facts, the CGRF dismissed the complaint of the appellant; and that therefore, their appeal before the Vidyut Ombudsman also needs to be dismissed directing the appellant to pay the outstanding amount.

That the written submissions of the respondents were served on the appellants was acknowledged by the appellant during the hearing. At the time of the hearing, the appellant produced a photocopy of the billing record pertaining to M/s. Raheja IT Park and requested this authority that it may be got enquired into as to how M/s. Raheja IT Park were subjected to a favourable treatment than the appellants, in spite of both of them being IT parks. The photocopy that was discussed with this authority in the presence of the respondents during the hearings, did not contain any signature or contained any air of finality to it. As such, it cannot be concluded by observing that paper that M/s. Raheja IT Park were given a different favourable treatment than what the appellant had been meted out by the DISCOM. Hence, it was made clear to the appellant that this authority cannot take cognizance of the paper as any form of evidence before it. Accordingly, the appellant preferred not to file the same before this authority. Other than this, neither the appellants nor the respondents advanced any further arguments during the hearings.

Having considered the written submissions made by the appellant and the 2nd respondent, having given them an opportunity of presenting their further submissions, if any, and having considered the material available on record, this authority finds that the only point that arises for consideration in this appeal is whether or not the CGRF's orders are to be set aside.

The appellant is exempted from R&C regime and hence he will not be eligible for having his consumption billed as per recorded maximum demand. His understanding that he would be entitled to it is based on incorrect premises. The appellant is not at all subject to any sort of restriction or control during any period -- more so for the billing period in question i.e., May and June 2013. Hence the R&C guidelines are not at all applicable to them. Their supply is never subject to any kind of restriction and hence it naturally follows that their billing will be done as per normal procedure only. Just because there were R&C restrictions and the guidelines issued therein contained a provision of billing as per recorded MD, thinking that it would be applicable to them also, is not correct. The appellant's understanding of the R&C measures is flawed to this extent. It follows from it that the orders issued by the CGRF are correct and in accordance with law. Hence the appeal is liable to be dismissed.

Therefore, the appeal of the appellant is dismissed as not having any merit.

This order is corrected and signed on this 1st day of March, 2014.

VIDYUT OMBUDSMAN

To

1. M/s. Solar Semiconductor Pvt. Ltd., H. No. 8-2-293/82/L/271/A, MLA

Colony, Road No. 12, Banjara Hills, Hyderabad 500 034.

2. The Divisional Engineer, Operation, Champapet, APCPDCL, RR District
3. The Senior Accounts Officer, Operation, RR South Circle, APCPCL, Hyderabad.
4. The Superintending Engineer, Operation, RR South Circle, APCPDCL, Hyderabad.

Copy to:

1. The CGRF (Greater Hyderabad Area), APCPDCL, Door No: 8-3-167/E/1,
Central Power Training Institute Premises, APCPDCL, GTS Colony, Vengal
Rao Nagar, Erragadda, Hyderabad 500 045.
2. The Secretary, APERC, 11-4-660, 5th Floor, Singareni Bhavan, Red
Hills, Hyderabad-04.