

BEFORE THE VIDYUT OMBUDSMAN

::Present::

C.Ramakrishna

Date: 12-05-2014

Appeal No. 78 of 2013

Between

M/s. Impex Metal & Ferro Alloys Limited

APIIC Growth Centre, Bobbili - 535 558

Vizianagaram Dt.

... Appellants

And

1. The Divisional Engineer, Operation, APEPDCL, Bobbili
2. The Senior Accounts Officer, Operation, APEPDCL, Vidyut Bhavan,
Dasannapeta, Vizianagaram - 535 002
3. The Superintending Engineer, Operation, APEPDCL, Vidyut Bhavan,
Dasannapeta, Vizianagaram - 535 002

... Respondents

The above appeal filed on 03-07-2013 has come up for final hearing before the Vidyut Ombudsman on 03-05-2014 at Vizianagaram. The authorized representatives of the appellant, as well as respondents 1 to 3 above were present. Having considered the appeal, the written and oral submissions made by the appellant and the respondents, the Vidyut Ombudsman passed the following:

AWARD

2. The appeal arose out of the grievance of the appellant that the CGRF had disposed of their appeal regarding R&C penalties without considering their grievance. On 03-07-2013, the appellant filed the appeal stating that they have a 132 kV dedicated feeder with a contracted demand of 24,000 kVA; that for the month of February 2013, they were billed an excess amount of Rs. 15,58,093.75 based on MRI data; that the DE, Operation took meter reading at 10.00 AM on January 22, 2013 and for the month of February, he has taken the meter reading at 12.00 midnight on February 21, 2013; that hence they were already billed for an extra 10 hours in the month of January, 2013 itself; and that this excess has to be adjusted in their future bills.

3. The respondents were served with a notice for hearing the case on 03-05-2014, directing them to submit their written submissions, if any, duly serving copies of the same on the appellant. The respondent SE submitted his written submission duly marking it to the appellants on 17-04-2014 stating that the service connection was released on 05-06-2012 with a CMD of 16,000 kVA at 132 kV potential under HT 1B Category; that they were sanctioned an additional load of 8,000 kVA in the month of June, 2013; that the consumer represented that their liability to R&C penalties of Rs. 15,58,093.75/- for the month of February, 2013 is due to the difference in timings between the manual readings and MRI data; that the consumer was replied that the R&C penal charges in the CC bill for the month of February, 2013 were levied based on the MRI data for the period 22-01-2013 (00.00 Hrs) to 21-02-2013 (24.00 Hrs); that the consumer utilized an off peak kVAH of 54,42,175 against the off peak PCL of 53,56,800 kVAH; that the excess 85,375 kVAH consumption was billed as per R&C guidelines and included in the CC bill for the month of February, 2013

payable in March, 2013; that the consumer was not levied any R&C penalties for the month of January, 2013, as they have not crossed the off peak consumption allowed for the month of January, 2013; and that the penal charges calculated therefor are correct and the appellant is liable to pay the same.

4. Heard the appeal finally at Vizianagaram on 03-05-2014. At the time of hearing, the appellants as well as the respondents have reiterated their written submissions. The appellants further pleaded that their industry is facing lot of other challenges and that hence the burden of heavy R&C penal charges be mitigated for them.

5. The CGRF noted in its order that the apparent loss of hours in a month in respect of billing is a gain in the succeeding month and vice versa; that the respondents shall revise the bill if necessary as per the guidelines issued by the Licensee DISCOM's memo dated 25.04.2013; and that the respondent SE shall ensure proper clarification of the points raised by the complainant appellant.

6. Having taken due note of the submissions of both sides, it is found that the basic issue is one of differing perceptions as rightly pointed out by the CGRF in its orders. The feeling of the appellants that they have already paid for an extra 10 hours because of differing times in meter readings could have been soothed, had it been properly explained to them that they have really not been subjected to any excess billing. This could have easily been done by showing them that there won't be any loss if both the regular billing and calculation of R&C penalties are done based on MRI data. Whether or not the respondent officers have taken the pains to explain the method of calculation of R&C penalties, the fact remains that they did calculate the R&C

penalties correctly in this case, subject of course to the deficiency pointed out herein below. The mere fact that the DE, Operation has taken the reading at different times for two consecutive months does not by itself cause any harm to the consumer. There is nothing wrong with the DE taking readings with such difference in times also. Clause 4.1.2 of the Andhra Pradesh Electricity Regulatory Commission (Electricity Supply code) Regulation, 2004 does enable the field officers to take meter readings with differing times. However, for calculation of R&C penalties, the exact data based on MRI dump readings is to be taken by the respondents. This is what they have exactly done in this case and hence, there is nothing wrong with the method of calculation of R&C penalties.

7. In so far as the pleading of the appellants that their industry is facing a lot many other challenges and that hence the burden of R&C penalties should be mitigated for them is concerned, this authority does not find any merit in that plea. Just because there are other challenges being faced by the consumer, he cannot expect the electricity industry to come to his rescue and mitigate his problems. His charges and levies will be determined based on his behaviour with reference to the GTCS that exist between the consumer and the supplier.

8. The calculations proper are not being gone into at this stage, as they have not been specifically questioned. But the one thing that needs observation is about waiver of 50% R&C penalties. The respondent officers have not implemented the Hon'ble Commission's order giving 50% waiver of R&C penalties uniformly to all the consumers in the State.

9. By the time the CGRF passed its order, the waiver orders of the Hon'ble Commission were not yet passed. Hence the order of the CGRF needs to be set aside for enabling the respondent officers to recalculate the R&C penalties duly taking the waiver orders of the Hon'ble Commission into account.

10. Therefore, it is hereby ordered that:

- the respondent officers shall recalculate the penal charges keeping in view the observations made above within 15 days from the date of receipt of this order;
- in so recalculating, they shall also implement the 50% waiver ordered by the Hon'ble Commission in its Proceedings No. APERC/Secy/154/2013, dated 08-08-2013; and
- the respondent officers shall communicate their compliance with this order within 30 days from the date of receipt of this order.

11. This order is corrected and signed on this 12th day of May, 2014.

VIDYUT OMBUDSMAN

To

1. M/s. Impex Metal & Ferro Alloys Limited, APIIC Growth Centre, Bobbili - 535 558 Vizianagaram Dt.
2. The Divisional Engineer, Operation, APEPDCL, Bobbili
3. The Senior Accounts Officer, Operation, APEPDCL, Vidyut Bhavan, Dasannapeta, Vizianagaram - 535 002

4. The Superintending Engineer, Operation, APEPDCL, Vidyut Bhavan,
Dasannapeta, Vizianagaram - 535 002

Copy to:

5. The Chairperson, CGRF, APEPDCL, P & T Colony, Seethammadhara, Near
Gurudwara Junction, Visakhapatnam - 530 013.
6. The Secretary, APERC, 11-4-660, 5th Floor, Singareni Bhavan, Red Hills,
Hyderabad - 500 004.