



VIDYUT OMBUDSMAN FOR THE STATE OF TELANGANA

First Floor 33/11 kV substation, Hyderabad Boats Club Lane
Lumbini Park, Hyderabad - 500 063

:: Present:: **R. DAMODAR**

Wednesday, the Eighth Day of June 2016

Appeal No. 14 of 2016

Preferred against Order Dt. 20-01-2016 of CGRF In

CG.No: 101/2015 of Mahaboobnagar Circle

Between

M/s Binjusaria Ispat Pvt.Ltd represented by Sri Hitesh Kedia, Director,
C-1, Govt. Industrial Estate, Chandulal Baradari,
Hyderabad, Ph.No -040-24464237.

... Appellant

AND

- 1.The SAO/OP/Mahaboobnagar/TSSPDCL/Mahaboobnagar Dist.
- 2.The DE/OP/Jadcherla/TSSPDCL/Mahaboobnagar Dist.
- 3.The SE/OP/MBNR circle/TSSPDCL/Mahaboobnagar Dist.

... Respondents

The above appeal filed on 18.02.2016, coming up for hearing before the Vidyut Ombudsman, Telangana State on 11.05.2016 at Hyderabad in the presence of Sri. Ravinder - on behalf of the Appellant and Sri. P. Krishna Reddy - G.M (Revenue) TSSPDCL, and Sri. K. Lingaiah - DE/Commercial for the Respondents and having considered the record and submissions of both the parties, the Vidyut Ombudsman passed the following;

AWARD

The Appellant is a consumer of HT with SC No. MBN -627. The Appellant claimed that there were discrepancies in the R&C bills issued in October,2012 and from January,2013 to August,2013 needing correction.

2. The Appellant pleaded that as per Clause 19(a) of R&C measures dt.1.11.2012, the actual demand consumption should be billed on prorata basis i.e. 18/30 of the prescribed rate. The Appellant has opted for 18 days/month options i.e. option II

mentioned in clause 14 of R&C measures. The Appellant alleged that there is an excess claim of Rs 33,16,496/- during 18 days/month option.

3. The Appellant alleged that the Respondents claimed an amount of Rs 22,43,013/- towards off peak penal energy charges for the month of April,2013. The Appellant had opted for option II of ERC/ R&C proceedings i.e. 18 days per month i.e. power on days. The Appellant further claimed as per the ERC proceedings dt.17.4.2013, the quota was enhanced from 60% to 66% per month from April,2013 billing month and therefore entitled to 20 days instead of 18 days during April,2013. The Appellant alleged that in the R&C supplementary bill, the Respondents have taken 11 days before March, 2013 and 7 days after April even though the Appellant is entitled to 9 days.

4. The Appellant alleged that the Respondents took quota of off peak hours at 979020 KWH as against 1063662 KWH of consumption and whereas for 9 days entitlement for off peak hours is 1258740 KWH which is short of 195078 KWH. The consumption from 1.4.2013 to 19.4.2013 is within the limit and attracts no penalty as per ERC proceedings and thus the consumption was well within the limits prescribed during off peak in April,2013 and therefore, levying of penal charges of Rs 22,43,013/- is not correct and consequently, late payment charges of Rs 57,962/- for January,2013, Rs 89023/- in February, 2013 and Rs 17,360/- in August 2013 totalling Rs 1,64,345/- levied is not correct, since the due amounts were paid on due dates and these late payment charges are liable to be withdrawn and on these lines, the Appellant lodged a complaint with the CGRF..

5. The 1st Respondent/SAO/O/MBNR submitted a reply dt.10.12.2015 stating that in view of necessity caused by prolonged dry spell, increased demand, delayed monsoon, insufficient inflows in hydel reservoirs, the power stations were not in a position to operate at full capacity and on request, the ERC imposed Restriction and control measures to be implemented from 12.9.2012 to 31.7.2013 through proceedings No. APERC/Secy/14/2012-13 dt. 14.9.2012.

6. The 1st Respondent stated that the supplementary R&C bill issued to the Appellant for october, 2012 for Rs 44,77,893/-, was subsequently revised on receipt of field report of the 2nd Respondent/DE/OP dt.20.2.2013 and a revised bill was issued for Rs 21,22,407/- withdrawing the excess bill amount in the books of account.

7. The 1st Respondent further stated that the R&C measures were revised vide proceedings of the APERC Dt.1.11.2012 and in compliance to it, options forms were

issued to the Appellant and the Appellant has opted for option II i.e. 18 days power supply at a stretch and 12 days power holiday. During 18 days of power supply, 100 % CMD during off peak hours and 10% contracted demand during peak hours can be drawn by the consumers and during power holiday of 12 days, 10% of the contracted demand is permitted for maintenance as per the revised R&C measures dt.1.11.2012.

8. The billing pattern on the basis of option II which is 18/12 days would be as follows:

Permitted Demand Limits (PDL) under option -2 or option-3:

- a. PDL during off peak = $100\% \times \text{Contracted demand for 18 days}$
- b. PDL during peak = $10\% \times \text{Contracted demand for 18 days}$
- c. PDL during power holiday period = $10\% \times \text{contracted demand for 12 days}$

Permitted consumption limits (PCL) under option - 2 or option -3

- a. PCL during off peak = $\text{CMD} \times \text{LF} \times 1(\text{PF}) \times \text{No.of off peak hours for 18 days}$
- b. PCL during peak = $\text{CMD} \times 10\% \times 1(\text{PF}) \times \text{No. of off peak hours for 18 days}$
- c. PCL during power holiday period = $\text{CMD} \times 10\% \times 1(\text{PF}) \times \text{No. of off peak hours for 12 days.}$

9. The 1st Respondent claimed that from the above method, the consumer who opted 18/12 days option should be billed on prorata basis for power on and power off days separately wherein 10% of CMD is allowed for maintenance during power holidays for 12 days, during which the recorded maximum demand should only be billed. The R&C supplementary bills issued to the Appellant were in accordance with PDL & PCL specified by ERC from time to time. The R&C bills issued for the month of October, 2012 and January,2013 to August 2013 are in order and no revision is required. The Respondent No.1 further claimed that the R&C bill for the month for April,2013 (Final Reading on 19.4.2013 and Initial Reading on 19.3.2013) was issued by considering the power on days as 18 days (from 19.3.2013 to 30.3.2013 for 11 days and from 13.4.2013 to 19.4.2013 for 7 days) and power off days as 12 days and therefore, the bill issued for the month for April,2013 is in order. The late payment charges were levied on the Appellant as part of CC bill from December,2012(due date on 9.1.2013) January 2013 (due date 9.2.2013) and July 2013 (due date 9.8.2013) and payments was made after the due dates i.e. on 31.1.2013, 11.2.2013 and 13.8.2013 respectively and they are in order. The 1st Respondent also reported that out of the R&C penalties of 44,75,422/- an extent of 50% was waived to the Appellant as per the orders of the ERC. The 1st Respondent thus claimed that the billing during R&C measures and also penalties were in order.

10. Before the CGRF, a representative of the Appellant pleaded that the demand charges normal rate charged during R&C period for the month of December,2012, January to August, 2013 amounting to Rs 33,16,496/- should be withdrawn and similarly the off peak penal charges during April,2013 which was billed at 60% of CMD should be revised to change off peak hours to 66% of CMD. The late payment charges should also be revised as the payments were made within time. The 1st Respondent pleaded that there is no need for revision of the billing and also penal charges.

11. After hearing and on consideration of the material on record, the CGRF disposed of the complaint with the following order:

“As deposed by the Respondents they are directed to collect the R&C bills as per Hon’ble ERC orders in vogue. Necessary compliance reports may be furnished to the forum. The complaint is disposed of accordingly.”

12. Aggrieved and not satisfied with the impugned orders, the Appellant preferred the present Appeal claiming that the Appellant is not due to pay the penalty levied and excess billed amounts and further the CGRF, without considering the 66% quota in April,2013 billing month and without considering the order of Vidyut Ombudsman dt.27.10.2014 in Appeal No. 154 of 2013, passed the impugned orders which are liable to be set aside and that the excess claim of Rs 33,16,496/- towards demand charges normal rate during the period October,2012 and January to August,2013 billing months, and off peak penal energy charges Rs 22,43,013/- and similarly late payment charges of Rs 1,64,345/- in the month of January,2013, February, 2013 and August,2013 billing months are liable to be set aside and direction be given to the 3rd Respondent to revise the R&C supplementary bills for the period from October,2012 and January to August, 2013 billing months, apart from directing payment of compensation to the Appellant.

13. The 3rd Respondent submitted a report dt.27.3.2016 stating that the R&C measures prevailed from 12.09.2012 to 31.07.2013 as per R&C measures issued in proceedings dt.14.9.2012. The Appellant was issued R&C supplementary bill for the month of October,2012 for Rs 44,77,893/- which was subsequently revised on receipt of a field report of the DE/Electrical/Operation/jadcherla (R2) through his letter dt.20.2.2013 and a revised bill was issued to the Appellant for Rs 21,20,407/- and the excess amount of bill was withdrawn.

14. The 3rd Respondent further stated that the R&C measures were revised through proceedings dt.1.11.2012 by the ERC and as per this revised proceeding, the Appellant had chosen option II for drawing power with 18 days power supply at a stretch and 12 days power holidays. During the 18 days, 100% CMD in off peak hours and 10% CMD during peak hours can be drawn by the consumer, with permission to the consumer to draw power at 10% of CMD during 12 power holidays for maintenance(lights and fans for HT category consumer).

15. The 3rd Respondent further stated that the Appellant was levied late payment charges for the month of Dec,2012 (due date on 9.1.2013), Jan,2013(09.02.2013) and July-13(09.08.2013) as charges were paid after the due date i.e. on 31.1.2013, 11.2.2013 and 13.8.2013 respectively and the levy was in order. The 3rd Respondent through his letter dt.12.4.2016 stated that the R&C bill for the month of April,2013 was revised earlier and issued for an amount of Rs 9,71,690/- to the Appellant. An amount of Rs 11,21,506/- was withdrawn towards R&C penalty levied in the month of April,2013 and therefore, no further revision is needed. The Appellant was adjusted an amount of Rs 44,75,422/- towards 50% R&C penalties and net R&C bill amount of Rs 10,39,573/-(from 09/12 to 06/13) total making out to Rs 55,15,001/-. The 3rd Respondent asserted that there is no provision to extend supply free of cost to any industrial consumer during the power holiday period of 12 days in a month, where the Appellant had availed 10% of CMD in power holidays during R&C period claiming that it should not be billed, without any valid ground. He further stated that excess billed amount of Rs 80,259/- levied towards additional charges in the month of 01/13 and 02/13 will be withdrawn.

16. The Appellant submitted a reply styled as rejoinder stating that when the quota was restricted to 60% of CMD, the industries which opted for option II were allowed to use 18 day continuous supply in off peak hours at 100% CMD with restricted quota of energy(KWH) i.e permitted consumption limit (PCL). When the restriction is enhanced to 66% from 60% of CMD, the PCL also enhanced to 20 days from 18 days as per the following formula:

CMD X LF% No. of Off Peak Hours for 20 days.

The Appellant further stated that for consumption of energy for lights and fans, no demand charge is applicable and only energy charge is applicable.

The Respondents stated that the above mentioned enhanced limit was given for May and June,2013 only and not for April,2013. In April,2013, the Appellant claimed

that the Respondent No.3 gave 11 days power on days upto 31.3.2013 and 7 days from 1.4.2013 and in view of enhancement of quota to 66% of CMD, 9 power on days should be considered and a revised bill withdrawing penalty of Rs 22,43,013/- be issued.

17. Efforts at mediation failed to succeed, because of the nature of the dispute and stand of both the parties in this case.

18. A perusal of the record and stand of the respective parties, the following issues arise for determination:

1. a. Whether the Tariff existing under HT Category I for lights and fans in the Tariff Order is applicable to the Appellant's service during R&C measures?
- b. Whether an amount of Rs 33,16,496/- was excess claimed over demand Charges normal rate for the months of October,2012 and January,2013 to August,2013?
- c. When no contracted demand is provided/supplied to the Appellant during power off days i.e. 12 days, but only energy is provided/supplied, whether the Respondents cannot claim demand charges during power off days?
2. Whether an amount of Rs 22,42,013/- was excess claimed over off peak penal energy charges for the month of April,2013?
3. Whether an amount of Rs 1,64,345/- was excess claimed over late payment surcharge?
4. Whether withdrawal of 10% demand charges of 12 days power holidays in accordance with the order of Vidyut Ombudsman in Appeal No. 154 of 2013 dt.27.10.2014 is tenable in the present case?.
5. When the Clause 6 of HT supply general conditions of Tariff Order FY 2012-13 states the billing demand =RMD or 80% of CMD whichever is higher, whether the claim of the Appellant that the claim of 3 RMDs during a month is in violation of provisions of the Tariff Orders and R&C orders?
6. Whether reliance placed by the Appellant on a flow chart and a calculation method, stating that 100% supply for 18 days for 20 Hours a day works out to 50% CMD supplied is tenable?
7. Whether the Appellant is entitled to enhancement of PCL of 60% to 66% as per R&C measures proceedings dt.17.4.2013?
8. Whether the Appellant is entitled to compensation for the delay?

19. **Issue 1(a)(b) &(c)** . The Appellant pointed out Clause 14 of R&C measures dt.1.11.2012 and exercise of option II by the Appellant for industrial consumers, there is a provision for usage of supply for 18 days per month, power holidays for 12 days and restricted 10% of CMD during power holidays for maintenance. The Appellant contended that the billing was not made as per the clause 14 for the months of October,2012 and January to August,2013 and thus there has been an excess billing for Rs 33,16,496/-. The Appellant claimed that the RMD was billed 4 times separately for power on days towards peak and off peak and power off days towards peak and off peak as given below:

For the month of January, 2013 :	Peak hours	off peak hours
Power on days :	414 KVA	9433.2 KVA
Power off days :	217.2 KVA	217.2 KVA

A brief study of both the billing calculations of Appellant and Respondents are as Follows:

Respondents billing calculation towards demand charges normal rate for Jan'2013:

$$\begin{aligned}
 9433.2 \times 20/24(\text{hrs}) \times 18/31(\text{days}) \times 250(\text{rate}) &= 11,41,113 \text{ off peak power on days} \\
 414 \times 4/24 \times 18/31 \times 250 &= 10,016 \text{ peak power on days} \\
 217.2 \times 13/31 \times 250 &= \underline{22,771} \text{ power off days} \\
 &= \underline{11,73,900/-}
 \end{aligned}$$

Appellants billing calculation towards demand charges normal rate for Jan'2013:

$$\begin{aligned}
 \text{Rs } 250 \times 18/31 \times 20/24 &= \text{Rs } 121 \times (\text{Demand Charges rate}) \\
 \text{Power on days} &= \text{Rs } 121 \times 9433.20 = \text{Rs } 11,41,417/- \\
 \text{Power off days} &= \text{No charges}
 \end{aligned}$$

Appellant has claimed withdrawal of 10% demand charges normal rate during power off days.

Demand charges normal rate worked out by Respondents is Rs 11,73,900/-

Demand charges normal rate worked out by the Appellant is Rs 11,41,417/-

The difference of excess amount as contended by the Appellant for this month is Rs 32,483/- (this amount pertains to power off days demand charges which is restricted to 10% of the CMD).

The basic difference of billing calculations of both is whether to bill the demand charges during power off days or not. The ERC has restricted the usage of power to 10% of the CMD and not approved any provisions where the consumers can avail power supply free of cost during power holidays. In the present case, for the bill of January, 2013, the usage during power holidays i.e. 12 days of the month, the RMD recorded was 217.2 KVA which the Appellant has used and shall be billed invariably. Appellant calculated amounts over demand charges during power holidays cumulatively for the months October,2012 and January to August,2013 arriving at an amount of Rs 33,16,496/-. As per the ERC proceedings dt.1.11.2012 under option II Clause 14, 10% of the contracted demand is permitted for maintenance, which does not specify usage of supply during this period as free of cost. Similarly the contention of the Appellant for withdrawal of Rs 33,16,496/- representing 10% of the demand charges during power off days is untenable. The issue is answered accordingly.

Clause 213.5 Part- B, HT rates of Tariff Order 2012-13 provides billing of consumption of energy for lights and fans in a factory at the following rates:

ENERGY CHARGES	
Voltage of Supply	Lights & fans (paise /KVah)
132 KV and above	567
33 KV	582
11 KV	600

This Clause is provided for billing, consumption of fans and lights, in case of segregation and non segregation under HT Category I Tariff.

As per the ERC proceedings dt.17.4.2013 Clause 14, under option II, 10% of the contracted demand is permitted for maintenance, towards regular maintenance works, such as overhauling of machines, periodical testing etc. The Tariff order specifies separate tariff rates for industrial purpose and lights & fans under HT -1 Category. The basis for separate rates of billing of lights and fans is the purpose of usage of supply, which is other than Industrial purpose. There is no relation between the restrictions during R&C period and lights and fans tariff rates. Hence, the contention of the Appellant for same billing without demand charges and only energy charges so far as lights and fans tariff is not tenable.

20. No Contracted Demand is supplied to the Appellant during the power off days i.e. 12 days but only energy is supplied. Hence the Appellant contends that the Respondents cannot claim demand charges during power off days.

There is a misconception on the terms 'contracted demand' and 'energy' by the Appellant which can be seen in the GRID CODE.

The ERC under the Grid Code explained the following terms:

Contract demand:- Maximum kW or KVA agreed to be supplied by the supplier and reflected in the agreement executed between the parties.

Active energy:- The electrical energy produced, flowing in or supplied by an electrical circuit during a time interval, being the integral with respect to time of Active Power, measured in units of watt-hours or standard multiples thereof.

Demand charges:- Fixed charges payable by the consumer at the rate fixed by the supplier per KVA of Maximum Demand attained by the consumer's system or 80% of Contracted Demand whichever is higher.

Note: In the R&C proceedings dt.1.11.2012, Clause 19(a) specifies that the billing demand shall be the maximum recorded during the month, modifying the condition of billing minimum 80% contracted demand or RMD as per Clause 213(6) of Tariff Order 2012-13.

21. In view of the above defined terms, the contention of the Appellant seeking withdrawal of demand charges during power off days on the ground that no Contracted Demand is supplied to the Appellant during power off days i.e. 12 days, but only energy is supplied, is not tenable, as the Appellant has misunderstood the terms Demand Charges and Energy Charges, which is specifically defined in the grid code whereby the Demand Charges is usually measured in magnitude of supply i.e in KVA and Energy is measured as consumed units i.e in KVAH.

22. **Issue No. 4.** On this issue, the Appellant has relied on orders dt.27.10.2014 in Appeal No. 154 of 2013 wherein in the relief portion marked at paragraph 30(a), the Vidyut Ombudsman held that "the DISCOM cannot charge demand charges for the meagre 10% demand that was allowed to the Appellants during the power holiday period, as doing so contravenes the direction of the Hon'ble commission" to contend

that once it is held that there can be no demand charges for consumption of 10%CMD in the present case also and the Respondents are not entitled to raise 10% demand charges during power holidays under the R&C measures. The relief under paragraph 30(a) in Appeal No. 154 of 2013 cannot be taken as a precedent in this case, because there is no specific provision under R&C measures stating that this 10% of contracted CMD during power holidays should be free of cost. Thus the contention of the Appellant on this aspect is found to be untenable.

23. **ISSUE No.2 & 7 :** For the month of April, 2013 the Appellant claimed that an amount of Rs 22,43,013/- towards off peak penal energy charges was excess claimed. The Appellant stated that they have opted for option No.II in the ERC orders dt.1.11.2012, which permit consumers to avail supply for 18 days per month during power on days and 12 days during power off days and this was amended in proceedings dt.17.4.2013 enhancing the 60% quota to 66% per month w.e.f. April,2013 billing month and quota of power on days was enhanced to 20 days from 18 days. But in the R&C supplementary bill, the Respondents have taken 11 days quota before 31.3.2013 and 7 days quota after 1.4.2013 total of 18 days quota and whereas the Appellant is entitled to 20 days quota, including 9 days quota after 1.4.2013. This has resulted in taking off peak quota hours at 979020 KWH against the consumption of 1063662 KWH instead of 9 days quota of 1258740 KWH, in this way the Appellant claimed that they are not liable to be penalised.

24. The Appellant who has been under option II, has misinterpreted the R&C proceedings dt.17.4.2013 and claimed that they are entitled to PCL(permitted consumption limit) during off peak to 66% of CMD, which is specifically made applicable to the consumers who are under option I only. The appellant is under option II. As per clause 13 of R&C proceedings dt.17.4.2013 under option II or III, the applicable PCL is as follows:

$$= \text{CMD} \times \text{LF}(\text{load factor}) \% \times 1 (\text{PF})(\text{Power factor}) \times \text{No. of peak hours for 20 days.}$$

Hence, the calculation formula of PCL limits given above does not allow the enhanced 66% of CMD into this option(II), which is specifically made applicable for the consumers under option I.

25. With respect to the plea of the Appellant that the Respondents have taken 18 days quota with 11 days quota before 31.3.2013 and 7 days quota after 1.4.2013 and whereas, they are entitled to 20 days quota including 9 days quota after 1.4.2013 as per the proceedings dt.17.4.2013 of the ERC, is not correct as this relaxation came

into effect from the **billing date** of April, 2013 i.e the month of May. The R&C measures dt.17.4.2013 specifies that “ The restrictions now imposed would be reviewed by the Commission from time to time based on demand and supply position. These orders shall come into force w.e.f. **meter reading date of April, 2013** and will be in force till meter reading date of June,2013”. Which answers the Appellant’s claim of excess billing of Rs 22,42,013/- over off peak penal energy charges for the month of April,2013 which is not tenable.

26. **ISSUE No.3** The Appellant claimed that an amount of Rs 1,64,345/- was excess claimed towards late payment charges for the month of January,2013, February,2013 and August,2013 and hence liable to be withdrawn.

The Respondents have partially agreed to the Appellants claim that the late payment surcharge was levied in the above said months due to the fact that the payments received during the respective months were not the total amount due, but part of the amount due, and the late payment charges were revised for the months January and February, 2013 which is shown in the following table:

Month	Due Date	Net demand	Amount paid	Date of payment	Bal due	No. of days	Surcharge	Levied in CC bill	Excess levied bill	Levied month
Dec-12	10.12.12	17622177	17097227	10.12.12	524950	15	3937	57962	54025	Jan-13
			2707104	25.12.12						
				Bal due						
Jan-13	09.01.13	21606665	12404465	09.01.13	7848648	16	62789.18	89023.26	26234	Feb-13
			1353552	09.01.13						
			1043542	31.01.13						
Jul-13	09.08.13	30453552	21773207	09.08.13	8680345	4	173560.69	17360.69	0	Aug-13
			8680345	13.08.13						
									80259	

In view of the claim of the Respondents that the payments were made in part and hence the late payment charges were claimed and that and amount of Rs 80,259/-

was excess levied has to be accepted, while noticing that the amount of Rs 80,259/- should not have been levied in the first place. The issue is answered accordingly.

27. **Issue No.5.** The Appellant claimed that Clause 6 of HT supply general conditions of Tariff order FY 2012-13 mentions the billing demand = RMD or 80% of CMD whichever is higher and hence the claim of 3RMD during a month is in violation of the provisions of the Tariff Orders and R&C orders.

a. The Appellant claimed that 3 RMDs calculation of demand charges by the respondents works out to 11700 KVA instead of actual RMD of 9900 KVA and the demand charges of Rs 12,37,500/- would cover the demand charges for complete month supply.

b. The concept of billing taking 3 RMD's separately i.e power on days (1) peak RMD (2) Off peak RMD & power Off days (3) peak /Off peak RMD can be described by taking the example of May's month billing for R&C period.

3 RMD'S method	May month bill issued by DISCOM Pro rata Basis
Power ON Days: 1) OFF PEAK RMD: $9342 \times 350 \times 20 / 30 \times 20 / 24$ =18,16,500. 2) PEAK RMD: $2574 \times 20 / 30 \times 350 \times 4 / 24$ = 1,00,100. Power OFF Days 3) PEAK & OFF PEAK: $198 \times 10 / 30 \times 350$ = <u>23,100.</u> Total Rs = 19,39,700.	Power ON Days: 1) OFF PEAK RMD: $9342 \times 350 \times 20 / 30$ =21,79,800. Power OFF Days 2) PEAK & OFF PEAK: $198 \times 10 / 30 \times 350$ = <u>23,100.</u> Total Rs=22,02,900.

Note:- As per the conditions specified in the ERC orders under Clause 19(a) wherein the demand charges shall be billed on pro rata rate basis i.e. @18/30 of the prescribed rate is fulfilled in the DISCOM billing.

With the above example, taking 3 RMD'S for billing separately works out Rs 19,39,700 & taking RMD including PEAK & OFF PEAK works out to Rs 22,02,900. The latter method is in line with R&C measures. 3 RMD'S billing procedure method was initially adopted by the respondents up to Feb'2013. Thereafter, the method II was adopted which is in line with R&C proceedings. Therefore, there is no violation in the method adopted by the Respondents. The issue is answered accordingly.

28. It is pertinent to mention that in the 3RMD method, the total KVA has not been added, but only billed separately. Hence the claim of the Appellant that KVA in total billed at a time went beyond the CMD is not correct.

29. **Issue No. 6** Appellant has relied on a flow chart & a calculation method, wherein it is alleged that the 100% CMD supply for 18 days for 20 Hrs a day works out to 50% CMD supplied. The flowchart does not derive the concept put on by the Appellant on supply of CMD to 50%, since there is no relation between usage of supply for number of Hours to contracted maximum demand. Further the maximum demand is defined by the Tariff Order 2015-16 vide clause 6 of H.T supply-general conditions. Subclause (5) explains the maximum demand as under.

Maximum Demand: The maximum demand of supply of electricity to a consumer during a month shall be twice the largest number of kilo-volt-ampere hours(kVah) delivered at the point of supply to the consumer during any consecutive 30 minutes in the month. However, for the consumer having contracted demand above 4000 KVA, the maximum demand shall be four times the largest number of kilo-volt-ampere-hours (KVAh) delivered at the point of supply to the consumer during any consecutive 15 minutes in the month.

The maximum demand is highest/largest of the KVAH recorded during any consecutive 30 minutes in the month. Hence the method adopted by the Appellant to arrive at 50% of CMD is not tenable.

30. **Issue No.8** As found on issues 1 to 5, there is no ground warranting payment of compensation to the Appellant, in view of the fact that different interpretations have been given to the provisions of R&C measures to lay certain claims by the Appellant, which have been answered in this Appeal. Therefore, there is no order for payment of compensation to the Appellant.

31. The Appeal is disposed of holding as follows;

- a. the claim of the Appellant that the Respondents claimed excess amount of Rs 33,16,496/- over demand charges normal rate for the months of October,2012 and January,2013 to August,2013 is negatived.

b. the claim of the Appellant that the Respondents made excess billing of Rs 22,42,013/- over off peak energy charges for the month of April,2013 is negatived.

c. The claim of the Appellant that an amount of Rs 1,64,345/- was claimed in excess over the prescribed late payment surcharge is found to be partly correct, as an amount of Rs 80,259/- is shown as being withdrawn by the Respondents, which should be withdrawn by the DISCOM. Thus the rest of the claim of the Appellant for the balance amount, is found to be untenable and negatived.

d. the claim of the Appellant that as decided in Appeal No. 154 of 2014 dt. 27.10.2014 regarding demand charges for 10% of demand during power holiday period for maintenance cannot be charged, is found to be untenable.

e. the request for payment of compensation is negatived and

f. the Appeal is partly allowed as above holding that the impugned orders are devoid of reasons.

Typed by CCO, Corrected, Signed and Pronounced by me on this the 8th day of June, 2016.

Sd/-

VIDYUT OMBUDSMAN

1. M/s Binjusaria Ispat Pvt.Ltd represented by Sri Hitesh Kedia, Director, C-1, Govt. Industrial Estate, Chandulal Baradari, Hyderabad, Ph.No -040-24464237.
2. The SAO/OP/Mahaboobnagar/TSSPDCL/Mahaboobnagar Dist.
3. The DE/OP/Jadcherla/TSSPDCL/Mahaboobnagar Dist.
4. The SE/OP/MBNR circle/TSSPDCL/Mahaboobnagar Dist.

Copy to:

5. The Chairperson, CGRF -1, TSSPDCL, GTS Colony, Vengal Rao Nagar, Erragadda, Hyderabad.
6. The Secretary, TSERC, 5th Floor, Singareni Bhavan, Red Hills,Hyderabad.