

VIDYUT OMBUDSMAN TELANGANA STATE

O/o. TSERC, 11-4-660, 5th Floor, Singareni Bhavan, Red Hills, Hyderabad - 500004

Present: R. Damodar
Date: 28-04-2015
Appeal No. 07 of 2015

Between

M/s Pravesha Industries private Limited,
4th Floor, The Water Market,
Plot.No. 11 Survey No.9, Hitech City, Kondapur,
Hyderabad -500 084

....Appellant / Complainant

AND

1. The Senior Account Officer/Operation/Medak, TSSPDCL at Sangareddy
2. The Divisional Engineer/Operation/Sangareddy, TSSPDCL, Medak Dist
3. The Superintending Engineer/Operation/Medak Circle, TSSPDCL, at Sangareddy

.....Respondents

The appeal dated 23.03.2015 came up for hearing on 21.04.2015 in the presence of Sri Krishna Murthy, Asst. General Manager for the appellant company and Sri.K.Vishwanath gupta, Rtd.Chief Engineer as authorised representative, Sri P.Karunkar Babu, DE/Op/ Sangareddy and Smt P.Manjula, SAO/Operation / Medak circle at Sangareddy and having stood over for consideration till this day, the Vidyut Ombudsman passed the following:

AWARD

1. The Appellant has been availing Contracted Maximum Demand (CMD) of 1490 KVA at 11KV. The permitted demand is up to 1500 KVA for voltage level of 11 KV. During the month of April, May, June and August 2014, the Recorded Maximum Demand (RMD) of the service connection was as follows:-

Month	RMD	Excess Over CMD	Penal Charges Levied	Excess Over Voltage level	Voltage surcharge Levied
April	1598 KVA	108 KVA	71,652	98 KVA	5,20,752-18
MAY	1543 KVA	53 KVA	41,552	43 KVA	4,85,107-38
June	1552 KVA	62 KVA	48,608	52 KVA	5,03,977-09
August	1506 KVA	16 KVA	12,544	06 KVA	5,27,229-50
TOTAL AMOUNT					20,37,066-15

2. On the basis of RMD being in excess of voltage level at the limit of 1500 KVA in 11 KV supply, the Voltage Surcharge was levied.

3. The Appellant claims that penalties can be levied as per the Tariff conditions in case RMD exceeds CMD as per para 6. But there is no provision for penalty or surcharge if RMD exceeds the voltage level, in the Tariff Conditions. Therefore, the Memo No.CGM(Coml)/SE(C)/RAC/427/08.Dated 21-06-2008 Issued by the CPDCL of AP LTD is against the terms of the Tariff Conditions 2013-14 and based on it, the voltage surcharge is levied in the present case without any statutory basis whatsoever. Therefore, the appellant prays that the voltage surcharge levied as shown in the table above is liable to be set aside.

4. The CGRF, TSSPDCL on a complaint registered as C.G.No.53/2014/Medak circle examined the reply of the respondents. Further the second respondent, SAO Operations /Medak relied on

Para 6(4) of the latest Tariff order 2013-14 showing as follows:

“The HT Consumers who are now getting supply at voltage different from the declared voltages and who wants to continue taking supply at the same voltage will be charged as per the rates indicated below:-

S.No.	Contracted Demand with Licensee and Other sources (in KVA)	Voltage at which supply should be availed	Voltage at which consumer is availing supply (in KVA)	Rate % extra over	
				Demand Charges	Energy Charges
<i>A</i>	<i>For HT consumers availing supply through common feeders</i>				
1	1501 to 5000	33	11	12%	10%
2	Above 5000	132 or 220	66 or below	12%	10%
<i>B</i>	<i>For HT consumers availing supply through independent feeders</i>				
1	2501 to 10,000	33	11	12%	10%
2	Above 10,000	132 or 220	66 below	12%	10%

Note:- In case of consumers who are having supply arrangements from more than one source, the RMD or CMD only with the licensees, whichever is higher shall be the basis for levying voltage surcharge.”

5. The consumer has been availing supply at 11 KV with contracted maximum Demand (CMD) of 1490 KVA with Recorded Maximum Demand (RMD) during the relevant months was

APRIL 2014	1598KVA
MAY 2014	1543KVA
JUNE 2014	1552KVA
AUGUST 2014	1506 KVA

6. On behalf of the respondents, it is asserted that voltage surcharge was levied because RMD exceeded the specified voltage limits. Based on the above justification, CGRF has rejected the complaint of the appellant through the impugned order dt 27-12-2014.

7. Aggrieved and not satisfied with the impugned order, the Appellant preferred the present Appeal.

8. Efforts at mediation for settlement could not succeed and hence the matter is taken up for disposal.

Heard

9. The only issue that arises for determination is “whether the voltage surcharge levied on the Appellant based on the premise that Recorded Maximum Demand (RMD) exceeded the specified limit is legal and sustainable?”

10. The stand of both the parties on the issue is the same as taken before the CGRF.

11. The spl. Representative of the Appellant has contended that there is no provision in the Tariff order authorising the Respondents to impose voltage surcharge on the ground that RMD exceeds the specified voltage limits and therefore, voltage surcharge raised has to be set aside and the amount paid may be ordered to be refunded.

12. The Respondents, on the other hand, justified the imposition of voltage surcharge based on RMD and all other sources (Ill party/captive) if exceeds CMD in KVA at different voltage levels, relying on a Memo No. CGM (Commercial)/SE(C)DE/(RAC)/D.NO.427/08 dt 21/06/2008, based reportedly on an Audit objection, CPDCL has decided to levy the voltage surcharge on HT consumers on two grounds as shown in the above memo:

1. To levy the voltage surcharge if CMD with CPDCL and all other sources exceeds the specified levels of CMD in KVA at different voltage levels.
2. To levy the voltage surcharge, if the recorded maximum demand is more than (exceeds) the total CMD limits in KVA fixed at different voltage levels (on common/independent feeders)

13. A perusal of the Tariff Order 2013-14 in items 6(4) under the heading VOLTAGE SURCHARGE at page 207 referred to in para-4 supra clearly shows that only in case of those customers who have supply arrangements from more than one source, the RMD or CMD only with the licensee, whichever is higher shall be the basis for levying voltage surcharge. It also shows imposing of voltage surcharge on basis of RMD or CMD with the licensee, only in

case the customer is having supply arrangements from more than one source. It follows that in a case where the customer has no supply arrangement from any other source, then Voltage Surcharge based on RMD being in excess of voltage level at the limit of 1500 KVA in 11 KV supply cannot be imposed by a distribution company and it has no such authority given by the ERC.

14. From the above, it is clear that imposition of voltage surcharge on the appellant by the Respondents solely based on RMD when the appellant has no supply arrangement from any other source, and not based on CMD is not legal and authorised. CGRF has not examined this aspect while disposing of the complaint of the Appellant, which is not legal and sustainable. The other arguments advanced on behalf of the Appellant are not being adverted to in view of the resolution of the dispute as detailed in this Award.

15. The appeal is allowed. The Surcharge Demand raised on the bills mentioned in the Table at Para-1 supra raising voltage surcharge on the ground that RMD being in excess of voltage level of 1500 KVA in 11 KV Supply is set aside as unauthorised and not legal. The amount of surcharge collected in the present matter shall be adjusted in future CC bills

This order is corrected and signed on this 28th day of April, 2015

Sd/-

VIDYUT OMBUDSMAN

To
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Copy To

1. The Chairperson, Consumer Grievance Redressal Forum (Rural)
2. The Secretary, TSERC, Hyderabad