



**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**

Saturday, the Twenty Seventh Day of August 2016

Appeal No. 43 of 2016

Preferred against Order Dt. 28-03-2016 of CGRF In

CG.No: 126/2016 of Mahaboobnagar Circle

Between

M/s Azam Rice Mill, Represented by its Proprietor, Sri. Ramalingeshwara Kamley,  
# 1-3-61/7/9/D, Bheem Nagar (V), Gadwal (M), Mahaboobnagar Dist.  
Cell No. 94402 11969.

**... Appellant**

**AND**

1. The AAE/OP/Gadwal Rural/TSSPDCL/Mahaboobnagar Dist.
2. The ADE/OP/Gadwal/TSSPDCL/Mahaboobnagar Dist.
3. The DE/OP/Gadwal/TSSPDCL/Mahaboobnagar Dist.
4. The SE/OP/MBNR Circle/Mahaboobnagar Dist.

**... Respondents**

The above appeal filed on 03.06.2016 coming up for hearing before the Vidyut Ombudsman, Telangana State on 9.08.2016 at Hyderabad, in the presence of Sri. Ramalingeshwara Kamley - Appellant and Sri. M. Ramachandraiah - AAE/OP/Gadwal for the Respondents and having considered the record and submissions of both the parties, the Vidyut Ombudsman passed the following:

**AWARD**

The Appellant M/s Azam Rice Mill at Bheem Nagar, Gadwal has SC No. 63, Category III (Industrial) at Puthanpally, Gadwal. The ERO issued a bill to the Appellant Rice Mill for February, 2016 levying fixed charges of Rs 31,901/- in the bill. On inquiry with ERO, the Appellant came to know that the fixed charges were levied on the RMD of 86.22KVA/115.58 HP with HT charges. The Appellant claimed that due to low yield, there was not much workload for Milling Rice. He further claimed that there was fluctuation of

voltage due to improper maintenance of the Substation, the electric meter and motors of the Rice Mill were getting burnt due to high voltage. In the last five years, the Appellant claimed, that earlier five meters got burnt and no action has been taken to correct the voltage fluctuation. He sought revision of the bill avoiding fixed charges and lodged a complaint to that effect with the CGRF..

2. The 3rd Respondent/DE/O/Gadwal through a letter dt.10.3.2016 stated that the recorded maximum demand (RMD)/HP Value of the Appellant during Feb,2016 was 86.22KVA/ 115.58HP and therefore, CC charges were calculated on HT side due to increase of RMD of more than 100 HP and imposed fixed charges of Rs 31,458/- on the Appellant Rice Mill.

3. During hearing before the CGRF, the Appellant claimed that he received a bill for Rs 31,901.40 instead of Rs 2941.50 and that he was using only 25 HP and not 100 HP and sought withdrawal of the excess fixed charges. He further claimed that during the years 2014 and 2015, though the Maximum demand reached was above 100 HP, still he was charged Rs 3,500/- and therefore, he sought withdrawal of the fixed charges from the bill. He further claimed that he is being serviced from Puttanpally Sub Station and that instead of 440 V supply, he has been getting 500 V supply, resulting in burning of meters for the last four years.

4. The AAO/ERO/Gadwal claimed that the (RMD)HP Value of the Appellant during Feb,2016 was 86.22 KVA/115.58 HP and therefore, the CC charges bill was prepared on HT side due to increase of RMD of more than 100 HP and fixed charges were imposed too.

5. On the basis of the record and hearing, the CGRF merely directed the Respondents to collect the fixed charges as per the bill issued in the month of Feb,2016, through the impugned orders.

6. Aggrieved and not satisfied with the impugned orders, the Appellant preferred the present Appeal claiming that since about 28 years, he has been running 74 HP motors and he has not fixed any additional motor and never got excess billing on the basis of RMD. He claimed that only in Feb,2016 he received excess bill towards fixed charges amounting to Rs 31,901/-. Further, the Appellant claimed that because of drought

conditions, a small scale industry like his rice mill have stopped functioning. He sought removal of Rs 31,901/- representing fixed charges from the CC bill.

7. In the Appeal, the 1st Respondent filed a reply dt.2.7.2016 reiterating that RMD/HP values of the Appellant during February,2016 was 86.22KVA/115/58 HP and therefore, fixed charges as per clause 3.3.IV of the Tariff Order 2015-16 and as per clause 12.3.2 of GTCS which says that whenever the RMD of any service connection under LT Category III exceeds 75 KVA( 1KVA= 1KW) such excess demand shall be billed under HT category I (11 KV Supply) and thus, the 1st Respondent claimed that the Appellant was billed on that basis.

8. The 1st Respondent further through his letter dt.8.8.2016 regarding the high voltage supply alleged by the Appellant claimed that the service connection of the Appellant LT category III, three phase contracted load 74 HP is located just about 1KM away from Veerapur Sub Station being fed by 11 kv express feeder. The phase to phase voltage recorded was 477 Volts. Now the tap has reduced to tap 4(previously tap 5) to reduce 11kv side voltage. He claimed that in addition to this, 11KV express feeder is tagged on to 11kv housing board feeder to further drop the voltage and now the recorded voltage is between 444 volts and 455 volts, which is during the off season. He claimed that during the season, the voltage would further drop to 430 volts-440 volts in normal voltage.

9. The 2nd Respondent further claimed that 33/11 KV Veerapur Sub Station is a highly agricultural density sub station. Three 33/11 KV sub stations at Pudur, Zammiched and Beeroli have been erected and they are in a complete shape and these are not loaded due to non engagement of operators. He is confident that the high voltage problem would be permanently solved if these sub stations start operation.

10. The 1st Respondent, in a significant manner, further observed that the rice mill operates seasonally and during the off season, it is kept idle and therefore, during this idling, the motors would get jammed and when they are started, they draw high current and for same voltage, the power input will increase and thus motors and meters get burnt. This problem can be solved according to him by running the machinery frequently. He further suggested that by using suitable capacitors, high current will be compensated

locally and all electric equipment would be safe and the Appellant has to install suitable capacitors to avoid problems.

11. Mediation has not succeeded, since the Appellant is pleading for removal of the fixed charges and the Respondents are insisting on imposing such charges.

12. On the basis of the record and material available, the following issues arise for determination:

i. Whether the Respondents are entitled to impose fixed charges of Rs 31,901/- and the Appellant is liable to pay this amount, on the ground that the RMD of the Appellant, in the month of Feb,2016 was 86.22 KVA/115.58 HP and that when RMD is more than 100 HP, the CC bill has to be prepared on HT side?

ii. Whether the Appellant is entitled to any relief regarding high voltage being faced at the Rice Mill?

iii. Whether the impugned orders are liable to be set aside?

### **Arguments heard.**

### **Issues 1 to 3**

13. The Appellant pleaded that the installed capacity of his rice mill is 74 HP. He claimed that since he used power with 74HP, there is no possibility of drawing more power than the installed capacity. The Respondents claimed that the Appellant, in the month off Feb,2016 drew power with RMD(KVA) of 86.22 showing 115.58 HP. They are relying on the Energy Billing System of ERO 26 Gadwal which is filed along with the reply. A perusal of this EBS statement from 1.1.2013 to 4.7.2016 shows similar consumption pattern in January and February,2015 also. The Appellant paid the CC charges for January and February - 2015 including fixed charges on the consumption without any demur.

14. It is to be noted that presently the utility employs an electronic trivector meter, for billing purposes.

The minimum outputs from the electronic meters are

- Maximum demand registered during the month, which is measured in preset time intervals (say of 30 minute duration) and this is reset at the end of every billing cycle.
- Active energy in kWh during billing cycle

- Reactive energy in kVArh during billing cycle and
- Apparent energy in kVAh during billing cycle It is important to note that while maximum demand is recorded, it is not the instantaneous demand drawn, as is often misunderstood, but the time integrated demand over the predefined recording cycle.

Therefore, the apprehension of the Appellant that there is no basis for alleging consumption of more power than the contracted one is not correct.

15. The Tariff Order 2015-16 sets at rest the tariff on the energy billing to the service in question. On the basis of the Tariff Order clause 3 (3)IV part B LT Tariff *“If the recorded demand of any service connection under this category exceeds the 75 KVA(1KVA=1KW), such excess demand shall be billed at the demand prescribed under HT Category - 1 (11 KV supply).”*. The claim of the Appellant that the Rice Mill has not consumed power more than the installed capacity and therefore, he is not liable to be pay the fixed charges and excess billing is not tenable, since there is no allegation that the meter is defective or the machinery installed could not have drawn the excess power.

16. The 1st Respondent, as an answer to the allegation about excess recording by the meter, claimed that the rice mill in question has been running seasonally and during the remaining period, the machinery is not put to use, which would result in the electric motors getting jammed after extended period of lying idle. He claimed that when these motors are started after such a long gap, they draw high current and for the same voltage, the power input would increase resulting in sometimes motors getting burnt and so also the meters. It has to be noted that the excess drawing of power is not a sudden phenomenon as generally perceived. The maximum demand registered during the month which is measured in preset time materials (say 30 minutes duration each) and this is reset at the end of every billing cycle.

17. Thus, the consumption of power is recorded by the time integrated demand over the predefined recording cycle. This resulted in the appellant rice mill drawing excess power during the month of February,2016 even though the installed capacity of the electrical equipment was 74 HP. The 1st Respondent suggested using suitable capacitors to control high current locally and to safeguard the electrical equipment. To avoid drawing of high

current, the 1st Respondent has rightly suggested running of the machinery frequently to keep them from jamming and drawing high power when started after a long idle.

18. As far as the billing of the Appellant on HT side is concerned, the Tariff Order of FY 2015-16 Part A LT tariffs clause 3 LT III Industry Category clause (3) (3)(IV) of the Tariff Order 2015-16 mandates that "if the recorded demand of any service connection under this category exceeds the 75 KVA (1KVA=1KW), such excess demand shall be billed at the demand charge prescribed under HT Category -I (11 KV SUPPLY)". This clause clearly applies to the present case and it enabled the DISCOM to charge HT tariff to LT III industry Category consumer/Appellant.

19. Similarly, Clause 12.3.3.2 of GTCS permits charging HT tariff rates when unauthorised additional load is detected. In the present case, the recorded demand was RMD(KVA) 86.22. The Respondents have correctly charged the Appellant with HT tariff and added fixed charges to the bill properly and included in the bill in the month of Feb,2016. There are no other reasons to question the fixed charges imposed on the Appellant.

20. There are allegations about high voltage against the DISCOM causing damage to the meters and the equipment of the Appellant in the past. The Appellant also demonstrated during hearing about the high voltage the rice mill was getting at its end. The Appellant claimed that he was getting 500 Volts supply instead of 440 V supply causing damage to his machinery and equipment. On this aspect, the 1st Respondent claimed that the recorded voltage now is between 444 V and 455 V and not 500 V. This is during off season and during the season, he claimed that the voltage would further drop to 430 V to 440 V which is normal voltage. He further claimed that the 33/11 KV Veerapur substation is intensive agriculture density substation and that three 33/11 KV sub stations came up at Pudur, Jammiched and Beroli and they are in complete shape and the high voltage problem would be solved once these sub stations start functioning. The 1st Respondent further represented that the sub station now being served is quite near to the Appellant's Rice Mill serving distant villages and therefore, to supply proper voltage to the distant villages, a little high voltage is being maintained and this is affecting the Appellant Rice Mill because of its proximity to the sub stations and once these new sub

stations start functioning, the problem of high voltage would be solved and this reply fully answers the problem raised by the Appellant.

21. The impugned orders lack reasoning and therefore, on that ground alone, it is liable to be set aside. In view of the foregoing reasons, the issues 1 to 3 are answered accordingly.

22. In the result, the Appeal is disposed of holding that:

- a. the claim of the Appellant that the Respondents cannot impose fixed charges in violation of the tariff order is negated.
- b. the Appellant is liable to pay the fixed charges imposed in the CC bill for the month of February, 2016 which are legitimately imposed by virtue of part A LT Tariffs, Clause 3 LT - III Industry Category subclause (3) (iv) of the Tariff order 2015-16.
- c. the impugned orders are set aside solely on the ground of lack of reasons.

23. This award shall be implemented within 15 days of its receipt at the risk of penalties as indicated in clauses 3.38, 3.39, and 3.42 of the Regulation No. 3/2015 of TSERC.

TYPED BY CCO, Corrected, Signed and Pronounced by me on this the 27th day of August, 2016.

Sd/-

**VIDYUT OMBUDSMAN**

1. M/s Azam Rice Mill, Represented by its Proprietor,  
Sri. Ramalingeshwara Kamley, # 1-3-61/7/9/D, Bheem Nagar (V), Gadwal (M),  
Mahaboobnagar Dist. Cell No. 94402 11969.
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5. The SE/OP/MBNR Circle/Mahaboobnagar Dist.

**Copy to:**

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