



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**

Friday, the Seventeenth Day of July 2015

Appeal No. 47 of 2015

Preferred against Order Dt. 22-04-2015 of CGRF In

CG.No: 30/2015 of Nalgonda Circle

Between

Smt. Uppalamma, W/o Yadagiri
H.No 6-1-874/2, Powerloom Industry,
Boyawada, Nalgonda Dist
Cell: 9676167550

..... Appellant

AND

1. The ADE/OP/TSSPDCL/Nakrekal/Nalgonda Dist
2. The DE/OP/TSSPDCL/Suryapet/Nalgonda Dist
3. The SE/Commercial/Corporate office/TSSPDCL/Hyderabad
4. The CGM/Commercial/Corporate office/TSSPDCL/Hyderabad
5. The SE/OP/Nalgonda/TSSPDCL/Nalgonda Dist.

..... Respondents

The above appeal filed on 21.05.2015 came up for final hearing before the Vidyut Ombudsman, Telangana State on 08.07.2015 at Hyderabad in the presence of Sri. Yadagiri - On behalf of Appellant and Sri. R. Vinod Kumar - ADE/OP/Nakrekal, for the Respondents and having considered the record and submissions of both the parties, the Vidyut Ombudsman passed the following;

AWARD

The Appellant had service connection No. 1914400899 with 5HP supply to her powerloom industry under category IV which was released on 6-12-1993. Due to continuous losses, the unit became sick. Due to non payment of arrears, the service was disconnected in May, 2011. The Appellant had applied for restoration of supply

to her powerloom industry in December, 2014 to CGM (Commercial) Corporate Office. The corporate office gave permission dt. 18.2.2015 to restore the supply under the sick unit revival scheme subject to payment of development charges Rs 4,800/- along with service line charges and fresh security deposit, if the amount already in credit is not insufficient, to the extent of insufficiency, payment of arrears Rs 700/- with surcharge as on the date of disconnection and 4 months minimum charges Rs 420/-. The CGM directed the Appellant to contact the SE/OP/Nalgonda for further steps in the matter. The Appellant preferred a complaint to the CGRF seeking restoration of power supply, without insisting on the conditions imposed by the CGM(Commercial) Corporate Office.

2. The Second Respondent (ADE/OP/Nakrekal) claimed that the CGM (Commercial) ordered restoration of power supply as a fresh service and ADE/OP/Nakrekal is not authorised to waive the development charges and security deposit and the Appellant has to approach the Corporate Office/TSSPDCL/Hyderabad.

3. The CGRF noted that the CMD, APTransco had addressed a letter No. 411/2001 to the Secretary, APERC for rationalization of procedures in respect of collection of minimum charges during the period of long closure of HT industrial units due to sickness and sick units would be allowed to choose either of the two following options:-

- i) To pay CC charges upto the date of disconnection with interest, minimum charges up to date without interest (Normally chosen for short closure period cases.)
- ii) To pay actual CC charges due up to date of disconnection along with interest and minimum charges for a period of 4 months as per Clause. 26.10 of TCS without interest plus development charges for the CMD required now (To accept termination at the end of four months and avail fresh service by paying development charges).

4. The other conditions were:-

- i) The units in either case have to pay reduced amounts as above (i) & (ii) in a lump sum for restoration of supply.
- ii) They will not be eligible for any other concessions if any available for new industrial units under the state industrial policy.

- iii) They shall not be entitled to contract for purchase of power from any other source except Transco/Discom.
- iv) They shall not use captive generation except as stand by that too for critical requirements.

5. This above proposal of CMD/APTransco in toto vide D.No. 4966/2001 dt.5-11-2001 was accepted by the ERC. These reliefs were approved from time to time upto 31.3.2015 lastly by ERC vide letter No. 18(1) 2014 dt. 2.6.2014.

6. The CGRF observed that in view of the aforementioned reliefs in vogue upto 31.3.2015, the Discom issued orders for restoration of power supply to the terminated service connection No. 191440089 of Smt. Uppalamma on payment of development charges, security deposit and old arrears.

7. Having noted the above, the CGRF by observing that the request of the Appellant for waiver of necessary charges cannot be considered, disposed of the complaint through the impugned orders.

8. Having not satisfied with the orders of CGRF and aggrieved, the Appellant preferred the present appeal.

HEARD

9. Efforts are made to bring in a settlement in the dispute, which could not fructify. Hence the matter is being disposed of on merits.

10. The point for determination is whether the Appellant is entitled to waiver of development charges, Security deposit and arrears if any for restoration of service connection?

THE POINT

10. The Appellant seeks waiver of development charges stating that it is only restoration of power supply and no further efforts like laying fresh line etc is involved and similarly insistence on payment of security deposit is also not justified in view of the sick unit revival and arrears may not also be insisted upon.

11. The Respondents on the other hand point out the policy decision taken by the distribution company with the approval of ERC effective till 31.3.2015 which is applicable to the present matter and as per the procedure, the Appellant has been

requested to pay the development charges, balance security deposit and arrears which cannot be waived and the Appellant is not entitled to such waiver.

12. Even as per the 1st proposal option mentioned para 3 of their order supra, the Appellant has to pay the mandatory charges and there is no scope for further reduction in the charges or waiver of any amount under the 3 heads. The First proposal appears to give some benefit to the Appellants, in view of the facts and circumstances of the case.

13. Based on the 1st proposal/option, the Appellant should pay the following amounts to get the power restored to the unit.

● CC Charges due up to date of disconnection		Rs 770/-
● Interest on CC charges due @ 18% P.A. for a period of 50 months, from the date of disconnection		Rs 577/-
● Minimum charges up to date without interest from 5/2011 to 7/2015, 50 months Rs 80x50 (As per part A LT Tariff 1.4.1 LT IV(A) - Power looms)		Rs 4000/-
		<hr/>
		Rs 5347
● Difference of security deposit over existing deposit @ Rs 500/- per HP. 500X5HP	Rs 2500/-	
● Minus existing deposit	(-)Rs 800/-	
● Deposit to be paid		Rs 1700/-
● Reconnection charges		Rs 75/-
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● Total to be paid under the option		Rs 7,122/-

14. As per clause 4.6 in regulation No. 5/2004 the licensee may grant installments, which the respondents have not opted to give. Keeping in view the facts and the Appellant being a sick cottage industry trying to revive, installments for the amount other than security deposit can be granted.

The Appeal is disposed of with the following directions:-

1. The Appellant shall, within a period of 15 days, pay Rs 1700/- to the licensee/Distribution company towards balance of security deposit. Soon after deposit of balance of security deposit, the Respondents shall restore power supply to the Appellant.
2. The Appellant shall pay the arrears etc amounting to Rs 5,422/- in 5 equal monthly installments starting from August 2015 with Rs 1,022/- being the first,

and Rs 1,100/- per month for four months being the rest of the monthly installments.

Corrected, Signed and Pronounced on this 17th day of July 2015.

VIDYUT OMBUDSMAN

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Copy to:

7. The ChairPerson, CGRF Rural, TSSPDCL, Vengal Rao Nagar, Hyderabad.
8. The Secretary, TSERC, 5th Floor, Singareni Bhavan, Red Hills, Hyderabad.

