



TELANGANA STATE ELECTRICITY REGULATORY COMMISSION
5th Floor, Singareni Bhavan, Red Hills, Lakdi-ka-pul, Hyderabad 500004

O. P. No. 17 of 2020

Dated: 29.04.2020

Present

Sri T. Sriranga Rao, Chairman
Sri M. D. Manohar Raju, Member (Technical)
Sri Bandaru Krishnaiah, Member (Finance)

***Suo-Moto* Order on Mitigation of Impact of COVID-19 – Relaxation of Clause 5.9.4.2 of GTCS and Clause 7.3 of Schedule I of Regulation No.5 of 2016**

Ministry of Home Affairs, Government of India (GoI) vide its order No.40-3/2020-DM (I) (A) dated 24.03.2020 has imposed lockdown with certain exceptions in all parts of the country for a period of 21 days with effect from 25.03.2020 to contain COVID-19 pandemic in the country. This lockdown was further extended from 15.04.2020 to 03.05.2020.

2. The Government of Telangana (GoTS) vide G.O.Ms.No.45, dated 22.03.2020; and G.O.Ms.No.46, dated 22.03.2020; has notified lockdown in the entire State of Telangana till 31st March, 2020 for containment of COVID-19 epidemic in the State, Subsequently, vide G. O. Ms. No. 54, dated 28.03.2020; G. O. Ms. No. 57, dated 12.04.2020; and G. O. Ms. No. 60, dated 19.04.2020; the lockdown period has been extended upto 07.05.2020. The operations related to electricity supply viz., power generation, transmission and distribution have been exempted from the lockdown to ensure uninterrupted power supply. Government of Telangana has issued orders for closure of all shops, commercial establishments, office, factories, workshops, godowns pertaining to non-essential commodities in view of social distancing for containment of the pandemic COVID-19.

3. The Federation of Telangana Chambers of Commerce and Industry, Hyderabad, All India Induction Furnaces Association (South Central Region) have

represented the Commission that the industries coming under non-essential categories remained closed and it is worst hit by the current prevailing situation, it is very hard for power intensive industries to maintain their existing CMDs as the cost of maintenance become uneconomical and requested for relaxation of Clause 5.9.4.2 of General Terms and Conditions of Supply (GTCS) (De-ration of CMD or Termination of Agreement in respect of HT Supply) under 'Force Majeure' situation.

4. The Commission acknowledges that the prevalent situation due to outbreak of COVID-19 has led to shutdown of a number of industrial and commercial establishments on account of the lockdown enforced by the government (except essential services). The Commission recognising the gravity and unprecedented nature of the current situation, consider it necessary and appropriate to address the hardships being faced by the electricity consumers at this juncture.

5. The issue confronted by these consumers is non availing of entire load contracted for and the hardship in payment of demand charges due to lockdown being enforced by the government.

Reduction in Load

6. Clause 5.9.4.2. of the General Terms and Conditions of Supply (GTCS) stipulates as under:

“Deration of CMD or Termination of Agreement in respect of HT Supply:

The consumer may seek reduction of contracted maximum demand or termination of the HT Agreement after the expiry of the minimum period of the Agreement by giving not less than one month notice in writing expressing his intention to do so. However, if for any reason the consumer chooses to derate the CMD or terminate the Agreement, before the expiry of the minimum one year period of the Agreement, the CMD will be derated or the Agreement will be terminated with effect from the date of expiry of the initial one year period of the Agreement or after expiry of one month notice period whichever is later. The Company can also terminate the HT Agreement, at any time giving one month notice if the consumer violates the terms of the HT Agreement, or the GTCS or the provision of any law touching the Agreement including the Act and rules made thereunder, and AP Electricity Reforms Act, 1998. On termination of the HT Agreement the consumer shall pay all sums due under

the Agreement as on the date of its termination.”

7. Also it is relevant to notice that Clause 7.3 of Schedule I of Regulation No. 5 of 2016 (Licensees’ Standards of Performance) (SOP Regulations) stipulates as under:

“Reduction in Load

Upon receipt of a request by a consumer for reduction of contract demand / contract load of such consumer after expiry of minimum period of Agreement entered by the consumer with the Licensee (indicated in GTCS), the Distribution Licensee shall reduce the contract demand/contract load of such consumer before the expiry of the second billing cycle after the receipt of such request;

Provided that consumer executes fresh agreement for such revised load before the second billing cycle.”

8. The Commission is of the view that due to lockdown these conditions do have onerous impact on the electricity consumers. Since the HT consumers may not be availing the entire load contracted for during the lockdown and at present this situation having started on 22.03.2020 and now stands extended upto 07.05.2020, it may be appropriate to allow reduction of the load temporarily. However, it has to be stated that while allowing the deration of the load, it is not worth to insist on compliance of the GTCS conditions or clauses in SOP regulation. Therefore, the Commission considers it appropriate to relax the same for the lockdown period upto 07.05.2020 or such further extended period. The provisions of GTCS and SOP Regulations are relaxed to the following effects:

- i) A consumer, if it so desires to avail deration of the contracted load may apply to the licensee and is permitted to exercise clause 5.9.4.2 of GTCS irrespective of the criteria of completion of minimum period of the agreement as stipulated in GTCS.
- ii) The distribution licensee shall upon such request by the consumers, give effect to the request of the consumer, who has exercised clause 5.9.4.2 of GTCS, within five (5) days on receipt of the application from such consumer.
- iii) The above relaxations shall be applicable only during the lockdown

period.

- iv) The above relaxations shall not be applicable for the period after lifting the lockdown and the conditions in the GTCS and SOP would continue to be applicable normally as before.
- v) The consumers are at liberty to seek restoration of the load post lifting of the lockdown.
- vi) In case the deration of the load happens in between the billing cycle in terms of the request of the consumer as per the relaxation given above, the distribution licensee shall endeavour to bill the consumer duly giving effect to the deration, that is billing as per the tariff order upto the date of deration and post deration of the load on the basis of the de-rated load only. The demand charges shall be levied accordingly on proportionate basis.

9. The Commission at the same time is also conscious of the loss that is occasioned to the distribution licensees due to deration of contracted load. The distribution licensees are directed to submit the details of revenue loss on account of this relaxation for examination.

10. With these observations, this petition is disposed of. All the other terms and conditions of GTCS, Supply Code and Standards of Performance (SoP) shall continue to apply as approved by the Commission in the retail supply tariff order for FY 2018-19.

This order is corrected and signed on this the 29th day of April, 2020.

Sd/-	Sd/-	Sd/-
(BANDARU KRISHNAIAH)	(M.D. MANOHAR RAJU)	(T. SRIRANGA RAO)
MEMBER	MEMBER	CHAIRMAN

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