

**GUJARAT ELECTRICITY REGULATORY COMMISSION
BEFORE THE ELECTRICITY OMBUDSMAN, GUJARAT STATE
Polytechnic Compound, Barrack No.3, Ambawadi,
Ahmedabad-380015**

**CASE NO. 32/2017
(UNDER REVIEW)**

Appellant: Executive Engineer,
Paschim Gujarat Vij Company Limited
Division Office, "Suhani Building", Javasa Road,
Nr. Axis Bank, Wankaner.

Represented by: Shri Dipak R. Dave, Learned Advocate
Shri B.D.Zalavadia, EE, PGVCL, Wankaner

V/s.

Respondent: M/s. Sopan Paper Mill Pvt. Ltd.,
Survey No. 225/1, Behind Tita Chokdi,
Sartanpur-Matel Road.
Ta: Wankaner. Dist. Morbi-363622.

Represented by: Nobody remained present.

:::PROCEEDINGS:::

- 1.0.** The Appellant has submitted review representation aggrieving with the order No. 106 dated 05.06.2017, passed by Electricity Ombudsman, Ahmedabad, in case No.32/2017. The hearing of review case was kept on 12.10.2017. As per the request of Appellant, the second hearing was kept on 26.10.2017. Appellant did not remain present.
- 2.0.** On the observations made by Ombudsman in order dated 03.06.2017 vide Para No. 4.3 and 4.4, Appellant, PGVCL has submitted as under.
 - 2.1.** Pro-rata effect is to be given in demand charges calls for review as the said directives are contrary to the tariff order issued by

GERC. Tariff order issued by GERC is effective from 1st April,2016 and general conditions thereof clearly lay down that fixed charges, minimum charges, demand charges, meter rent and the slabs of consumption of energy for energy charges mentioned shall not be subject to any adjustment on account of existence of any broken period within billing period arising from consumed supply being connected or disconnected in time within the duration of billing period for any reason. Clause 11 of the tariff schedule under the head “general” is of utmost importance.

2.2. Distribution Licensee shall have to decide the period of billing and adjust the tariff rate accordingly. For whatever reason the pattern of billing is changed, demand charge shall not be subject to any adjustment. Thus, question of giving pro-rata effect of demand charges does not arise. There is no requirement of giving pro-rata effect to demand charges. The demand charges shall have to be throughout for a billing period and it cannot be made subject to any adjustment.

2.3. Appellant has further drawn attention to the tariff conditions, particularly Clause 13.4(a), (b) and (c) and reproduced :

13.4: Billing Demand:

The billing demand shall be highest of the following:

- (a) Actual Maximum demand established during the month.
- (b) Eightyfive percent of the contracted demand.
- (c) One hundred KVA.

The slabs of consumption of energy charges shall not be subject to any adjustment on account of existence of any broken period within billing period arising from consumer supply being connected or disconnected any time within the duration of

billing period for any reason. This aspect is entirely overlooked.

- 2.4. It is submitted that the tariff schedule issued by GERC is binding to the applicant, opponent as well as to authority concerned. It is very clear that most important and vital aspect as narrated herein above Clause 11 of general conditions of tariff schedule. Therefore, directives issued are contrary to GERC tariff schedule and therefore in the interest of justice, order dated 03.06.2017 is required to be reviewed. There is an error apparent on the face of the record and most vital and important aspect and binding effect of the tariff schedule is entirely overlooked while giving directions.

Tariff schedule Clause 11 is not taken into note and therefore substantial injustice has been caused in the matter.

Further, implementation of order will cause discrimination and major discrepancy among same class/category of consumers in respect of billing demand charges. Hence order dated 03.06.2017 needs to be reconsidered.

- 2.5. Appellant prays as under:

- (1) To consider the review appeal.
- (2) To review the order dated 03.06.2017 and declare that demand charges are not subjected to adjustment as per the tariff schedule issued by GERC.

- 3.0.** Respondent, M/s. Sopan Paper Mill has submitted letter dated 10.10.2017 and stated as under:

- 3.1. In original case No.32/2017, Ombudsman has issued order dated 03.06.2017. Ombudsman has considered representation of Respondent and ordered to appellant, Executive Engineer, PGVCL, Wankaner to revise the energy bill for the month of April,2016 taking into consideration of new tariff schedule of

2016-17 and to calculate pro-rata based demand charge and to credit the difference if any to account of Respondent.

- 3.2. Appellant has filed review appeal against said order. Respondent is agree in full with all the provisions of revised tariff schedule and Annexure containing all the 17 Clauses therein and not attending during further representation. Respondent has requested to pass requisite order accordingly.

::: ORDER :::

- 4.0. As per observation of Para 4.3 of original order, it is taken note of Clause 13 of tariff order, wherein condition of Clause 13.4 is recorded. Hence, same has been considered while passing the original order dated 03.06.2017.

- 4.1. Tariff schedule Clause 11 under “General” head speaks as under:

“The fixed charges, minimum charges, demand charges, meter rent and the slabs of consumption of energy charges mentioned shall not be subject to any adjustment on account of existence of any broken period within billing period arising from consumer supply being connected or disconnected at any time within the duration of billing period for any reason.”

It is to note here the Point No.4 of General.

“The charges specified are on monthly basis. Distribution Licensee may decide the period of billing and adjust the tariff rate accordingly”

As per observations made in Para 4.2 of order dated 03.06.2017, disputed billing cycle is for the month of April,2016. Billing cycle covers the period 16th of the month to 15th of next month. Respondent has issued energy bill for the month of April,2016 on 16.04.2015.

GERC has published new tariff for the year 2016-17 on 31.03.2017 with effective date of 01.04.2016.

4.2. In overall observations, GERC has published new tariff for the year 2016-17 on 31.03.2017 effective from 01.04.2016 and put conditions under General, relevant conditions at Point No.4 and Point No.11 which mandate distribution licensee to decide billing period. To take note of Point No.11, which is applicable to all components of parameters of energy within duration of billing period. In this case as part of energy consumption, Respondent licensee has given pro-rata effect and thereby bifurcated the billing period for the month of April,2016, ignoring Point No.11 of General.

On other hand, as per tariff schedule, revised tariff is effective from 01.04.2016. In that term also applicability of tariff for the month of April,2016, billing on 16.04.2016 established. Thus, pro-rata effect on demand charges component earlier directed is in order and thereby pro-rata effect can be taken into consideration looking to the conditions of tariff schedule. Thus it seems that there is no error on face of findings recorded in order dated 03.06.2017.

4.3. I order accordingly.

4.4. No order as to costs.

4.5. With this order, representation/Application stands disposed of.

(Dilip Raval)
Electricity Ombudsman
Gujarat State

Ahmedabad.
Date: 30.11.2017.