

M.P. ELECTRICITY REGULATORY COMMISSION
BHOPAL

SUB: IN THE MATER OF REQUEST OF CHANGE OF CONTRACT DEMAND IN TERMS OF SUPPLY VOLTAGE FROM 132 KVA TO 33 KVA.

M/s. Birani Ispat Pvt. Ltd. - Petitioner
Industrial Area No. 1, A.B. Road,
Dewas

V/s.

M.P. Paschim Kshetra Vidyut Vitaran Co. Ltd. - Respondent
Indore

ORDER

(As passed on this day of 03rd June, 2008)

Shri A.N. Pandey, Consultant, Shri Dilip Birani, Managing Director and Shri Peyush Jain, Advisor appeared on behalf of the petitioner.

Shri D.K. Ojha, SE (Commercial) appears on behalf of the Respondent.

2. The petitioner has filed this petition in the matter of reduction of contract demand from 3000 KVA to 300 KVA in terms of change of supply voltage from 132 KV to 33 KV.

3. During the last hearing none appeared on behalf of the petitioner nor any comments were filed by them. The Commission viewed it very seriously but in the interest of justice, the Commission granted 7 days' time to the petitioner to submit the comments.

4. The Petitioner in its rejoinder has stated that the petitioner had submitted his application for the connection in the month of July 2003 and the connection had to be served within 180 days. The Petitioner submitted that despite the completion of formalities, the SE (O&M) asked to deposit Rs. 68.30 lac against 132 KV bay in favour of MPPTCL, Jabalpur. The MPSEB released power on 24/06/2005 almost after nine months of submission of charging permission. Due to the abnormal delay in releasing the connection, the petitioner has suffered heavy losses.

5. The Respondent has submitted the reply stating that the HT connection for the contract demand of 3300 KVA at 132 KV was sanctioned to the Petitioner in the month of February 2004 and subsequently on the request of the Petitioner the contract demand was reduced to 3000 KVA in March 2004. The petitioner's request for allowing payment towards the security deposit and feeder bay charges

in installment due to financial constrains was considered and the petitioner was permitted to pay 50% of the bay charges and 30% of the supply charges at the time of execution of the agreement. Thereafter, connection was served to the Petitioner on 24/06/2005. Power supplied to the above consumer was disconnected on 30/04/2006 due to non-payment of energy supplied. In the meantime, the consumer has approached for change of supply voltage but the request was refused.

6. The Respondent has further submitted that the petitioner had again approached the Respondent and requested that the contract demand may be reduced to 300 KVA along with the other request for payment of dues in installments etc. The petitioner was informed vide letter dated 03/11/2007 that as per the special industrial policy of the company, reduction is not possible as per the scheme. As mentioned above, the connection for contract demand of 3000 KVA was served on 24/06/2005 and as such the contract demand cannot be reduced before 30/06/2007. The consumer will be required to pay minimum charges for contract demand of 3000 KVA upto 30/06/2007. The petitioner was allowed to make payments of dues in installments, but he never came forward to clear the dues. Therefore, the Respondent has prayed that the petition may be dismissed.

7. Today, the Commission heard both the parties. On behalf of the petitioner it has been submitted that this is a case of abnormal delay of release of connection and a sheer instance of negligence on the part of the MPSEB. The time allowed for release of the connection is about 180 days whereas, in this case the Respondent took 718 days for release of the connection. The petitioner has further submitted that during the period of delay the condition of the steel market was in good shape as it was known as the golden era of the steel industry, but due to abnormal delay in releasing connection, he could not get the advantage of good market conditions. The petitioner has also submitted that the Respondent has formed the above mentioned policy to benefit the sick/ disconnected units of the consumers. Therefore, the same facility should be extended to the consumers whose connections have been disconnected during the initial agreement period of 2 years and also an opportunity should be allowed to reduce their contract demand as per their requirement. The petitioner has also requested the Commission to intervene in the matter and issue instructions to the West Discom in this regard under Clause 11.15 of the Electricity Supply Code to remove difficulties.

8. The Commission has observed during the hearing held on 20/02/2008 that it cannot intervene in such debatable commercial issues. The Commission comes in picture when there is any violation in the Regulations and only then the Commission needs to intervene.

9. Having heard both the parties today, the Commission has observed that the Respondent has introduced a Special Industrial Policy for HT consumers with a view to give relief to sick/ disconnected units of the consumers so that such units could be re-started their business. The Respondent may, therefore, re-examine the applicability of the Policy in view of the submissions made by the Petitioner

and the relevant provisions of the M.P. Electricity Supply Code 2004 as amended from time to time so that the objective of revival of sick units could be achieved without violating the requirements of the Electricity Supply Code, 2004.

With the narration made above, the Commission decides to close the case.

Ordered accordingly.

(K.K. Garg)
Member (Engg.)

(Dr. J.L. Bose)
Chairman

