

MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION, BHOPAL

Sub : Reduction of sanctioned contract demand of 5000 KVA at 132 KV to 3600 KVA at 132 KV.

Petition No. 56/2011

ORDER

(Date of hearing 20th September, 2011)

(Date of order 20th October, 2011)

M/s Parasrampur International,
Plot No. 423-432, Industrial Area,
Sector No. III, Pithampur, Dist. Dhar (MP)

- Petitioner

V/s

M.P. Paschim Kshetra Vidyut Vitaran Co. Ltd.,
GPH Compound Pologround, Indore.

- Respondent

Shri C.P.Suklecha, President, Shri S.B.Singh, Chief Engineer and Shri A.N.Pandey, Consultant appeared on behalf of Petitioner.

Shri S.S.Tripathi, SE (Comm.), Shri P.K.Jain, EE (Comm.) and Shri Anant Chaure, Law Officer appeared on behalf Respondent.

2. Petitioner has filed this petition under Clause 3.4 of the Electricity Supply Code, 2004 (Fourteenth Amendment).

3. Petitioner had applied for temporary reduction of sanctioned contract demand from 5000 KVA to 3600 KVA for a period of 6 months to Respondent vide letter dated 21.07.2011 to Respondent. The Chief Engineer (IR), West Discom has turned down the request of Petitioner vide letter dated 10.08.2011, referring the conditions of Clause 1.18 and 1.19 of Tariff Order dated 23.05.2011 which stipulates different supply voltages as per maximum and minimum limits of contract demand. Clauses 1.18 and 1.19 provides as under :

“1.18 The foregoing tariffs for different supply voltages are applicable for loads with contract demand as below :

Standard Supply Voltage	Minimum Contract Demand	Maximum Contract Demand
11 kV	50 kVA	300 kVA
33 kV	100 kVA	10000 kVA
132 kV	5000 kVA	50000 kVA
220 kV /400 kV	40000 kVA	--

(Cont. to next page)

Sub : Reduction of sanctioned contract demand of 5000 KVA at 132 KV to 3600 KVA at 132 KV.

1.19 The deviation, if any, in respect of above minimum/maximum contract demand on account of technical reasons may be permitted after obtaining specific approval of the Commission by the consumer.”

4. Being aggrieved by the refusal made by Chief Engineer (IR), the Petitioner made a representation before the CMD, West Discom and as per his instructions this petition has been filed seeking approval of the Commission.

5. Petitioner has made the following prayers in the petition :

- (a) The existing contract demand of 5000 KVA at 132 KV may kindly be reduced to 3600 KVA at 132 KV w.e.f. 17.08.2011.
- (b) The demand of additional security deposit of Rs. 27,80,054 may kindly be postponed in view of request of reduction in existing contract demand.

6. The case was listed for hearing on 20.09.2011.

7. During the hearing, the representative of Petitioner requested for reduction in contract demand from 5000 KVA at 132 KV to 3600 KVA at 132 KV. He mentioned that the company is a sick unit and is registered with BIFR. He also mentioned that on account of present recessionary tendencies globally, the company has to cut down their production substantially to cut losses. He further mentioned that if the relief as sought is not allowed they may have to close down business and that will render more than 700 workers jobless. He therefore prayed for the relief sought. The representative of Respondent submitted that the petition is not based on technical ground and is therefore liable to be rejected. He further submitted that if the Petitioner is ready to avail 3600 KVA at 33 KV voltage level after bearing entire cost of extension including cost of bay, then such request to allow 3600 KVA at 33 KV may be entertained.

8. On hearing Petitioner and Respondent, the Commission is of the view that considering the reduction in demand is sought for 6 months and is required with immediate effect due to pressing financial difficulties of Petitioner, changeover to 33 KV by creating entire infrastructure as contended by Respondent is not possible. Moreover as after this short interim period, they intend to revert back to existing contract demand. In view of this, Commission recognizes this as a technical constraint in availing requested reduction in contract demand.

(Cont. to next page)

Sub : Reduction of sanctioned contract demand of 5000 KVA at 132 KV to 3600 KVA at 132 KV.

9. The Commission has powers to relax provisions related to maximum/minimum contract demand mentioned in para 3 above and the Commission, in exercise of such powers, had been relaxing it in the deserving cases in the past. The Commission has taken note of the following:

- (i) The company is a sick unit and is threatened with closure if their request is not accepted.
- (ii) In their request to the licensee they have sought six months reduction in the contract demand which indicates that they are hopeful of reviving the unit if their present temporary difficulty is mitigated.

In view of the above and the fact that closure of this unit will also not be in the financial interest of the Licensee, the Commission considers this to be a deserving case and therefore allows temporary reduction of contract demand from 5000 KVA to 3600 KVA for a period of six months from the date such reduction is given effect.

10. Regarding the Petitioner's request for postponement of the additional security deposit, the Respondent may review the demand keeping in view the above reduction in contract demand.

11. With the above directions, the Petition No. 56/2011 stands disposed of.

Ordered accordingly.

sd/-
(C.S.Sharma)
Member (Eco.)

sd/-
(K.K.Garg)
Member (Engg.)

sd/-
(Rakesh Sahni)
Chairman