



HIMACHAL PRADESH ELECTRICITY OMBUDSMAN
SHARMA SADAN, BEHIND KEONTHAL COMPLEX, KHALINI, SHIMLA-171002
PHONE 0177-2624525
Case No. 58/2018

In the matter of:

M/s J.B.Rolling Mills (P) Ltd. Plot No 4, Industrial Area, Trilokpur Road, Kala Amb, Distt Sirmour (HP), through its authorised representative Sh. Lavneesh Kanwar, Advocate

Applicant/Representationist

Versus

- 1. The Executive Director (Personnel), HPSEB Ltd., Vidyut Bhawan, Shimla-171004
- 2. The Superintending Engineer (Op) Circle HPSEBL Nahan, (HP)
- 3. The Asstt. Engineer, Electrical Sub- Division, HPSEBL, Kala Amb, Distt. Sirmour

Respondents/Applicants

And

In the matter of:

Representation under Regulation 28 (1) & (2) and 33 of HPERC (Guidelines for Establishment of Forum for redressal of Grievances of the Consumers) Regulations 2013 against the Order dated 08.05 2018 passed by the Consumers Grievances Redressal Forum of HPSEBL, Shimla-9 (H.P.) in Complaint No.1515/3/17/052 titled as M/s J.B.Rolling Mills (P) Ltd., Plot No 4, Industrial Area, Trilokpur Road, Kala Amb, Distt. Sirmour (HP), through its authorised representative Sh. Lavneesh Kanwar, Advocate.

20.07.2018

Present for:

- Applicant** : Sh. Lavneesh Kanwar, Advocate
- Respondents** : Sh. Bhagwan Chand, Counsel
- Er. Satish Kanwar, Asstt. Engineer, ESD, Kala Amb
- Sh. Wakib Hussain, Sr. Assistant, ESD, Kala Amb.

(ORDER)

(Last Heard on 20.07.2018)

Heard. Taking into consideration, the arguments exchanged by representatives of both the parties during the course of hearing and the Application/Petition and Additional submission in support of Review petition/application filed by the Applicant/Respondent Board in context of the Order dated 08.05 2018 passed by the Consumers Grievances Redressal Forum of HPSEBL, Shimla-9 (H.P.) in Complaint No 1515/3/17/052 titled as M/s J.B.Rolling Mills (P) Ltd., Plot No 4, Industrial Area, Trilokpur Road, Kala Amb, Distt. Sirmour (HP), through its authorised representative Sh. Lavneesh Kanwar, Advocate.

Complainant's Contention:

1. That the complainant had filed a complainant against the respondents wherein it was stated that the complainant company had set up an industry in the year 2004 for the manufacturing of steel and other materials. It was also stated by the complainant company that at the time of setting up of the industry, it had approached the respondent board to allot connected load for running the industry which was accordingly released by the respondents. It was mentioned in the complaint that in the month of July,2007 the complainant company was having an existing load of 19475 kW as per Sundry Job order dated 16.11.2007. that during the year 2014 the complainant company, vide letter dated 6.2.2014 requested the Assistant engineer, Elect. Sub-Division, HPSEBL, Kala Amb for temporary reduction of contract demand from 19,475 kVA to 15,475 kVA only for billing purpose. In pursuance to the request of the complainant company to temporarily reduce the contract demand, the Chief Engineer (Op) South issued the office order dated 10.3.2014 whereby the contract demand was reduced from 19475 kVA to 15,475 kVA. In the month of August,2014 the complainant company again requested the respondent board to temporarily reduce the contract demand from 15,475 kVA to 11,475 kVA. In pursuance to the request of the complainant company the Assistant Engineer issued office order dated 22.8.2014 whereby the request of the complainant company was accepted and the Contract Demand was revised from 15,475 kVA to 11,475 kVA.
2. That the complainant company vide letter dated 24.1.2015 requested respondent number 4 to club the load of M/s Aditya Industries with the sanctioned load of 19,475 kVA of the complainant company. In pursuance to the request of the complainant company the load of M/s Aditya Industries was clubbed with the complainant company vide office order dated 2.7.15. As a consequence of the order dated 2.7.2015 the load of the complainant company was enhanced from 19,475 kVA to 22,675 kVA. It would be pertinent to mention here that this clubbing was sanctioned from 11,475 kVA + 3200 kVA to the load of 14,675 kVA as the existing load on the date of clubbing of the complainant company was 11,475 kVA. It would also be

pertinent to mention here that the request for clubbing of load was made within 365 days from the date of reduction of contract demand i.e. 22.8.2014. That the contract demand of the complainant company was temporarily enhanced from 11,475 kVA to 13,000 kVA by the Assistant Engineer, Electrical sub-Division, HPSEBL, Kala Amb vide Sundry Order dated 22.9.2015. The complainant company again in the month of February 2016 requested for revision of contract demand from 13,000 kVA to 18,000 kVA which request was accepted by the Assistant Engineer and a Sundry Job Order to that effect was issued on 29.2.2016. In the month of July, 2016 the complainant company requested the Sub-Divisional Officer to release the load which was clubbed in pursuance to the order dated 2.7.2015.

3. That in pursuance to the request of the complainant company the Assistant Engineer issued letter dated 26.7.2016 whereby, he issued a demand notice to the complaint company asking it to submit the documents of test report for clubbing of load, approval from Chief Electrical Inspector and fresh no objection certificate from H.P. State Pollution Control Board within 60 days. In response to the demand notice the complaint company submitted the requisite documents to the Assistant engineer with the letter dated 23.9.2016 requesting him to release the clubbed load. That as a sequel to the Sundry Job Order dated 23.9.2016 whereby the clubbed load was released in favour of the complainant company. While issuing the order the existing contract demand of the complainant company was shown as 19,475 kVA. That on 26.9.2016 the complainant company received a letter from the Assistant Engineer whereby, it was informed that from the scrutiny of the record it was found that the sanctioned load of the company was 11,475 kVA to 14,675 kVA only, whereas your existing demand as on date was 18,000 kVA against the sanctioned contract demand of 19,475 kVA. The complainant company was advised to get the contract demand regularized from the competent authority so that the load clubbing case of the complainant company could be regularized. After receiving the letter dated 29.9.2016 the complainant company addressed a letter dated 7.12.2016 to the Chief Engineer (commercial) bringing out to his notice all the relevant documents whereby the contract demand was temporarily reduced and a request was made to revise the sanctioned contract demand from 14,675 KVA to 22,675 KVA by clubbing

the 3200 KVA demand of M/s Aditya Industries to the sanctioned demand of 19,475 KVA.

4. That the Chief Engineer (commercial) in response to the dated 7.12.2016 wrote a letter dated 16.12.2016 to Chief Engineer (OP) South, informing him that the clubbing of existing connected load and contract demand has been done on the basis of connected load on contract demand being availed by the consumer at the time of clubbing of load, as is intimated by the field units and there is no need to revise the earlier sanction. It was also mentioned in this letter that any revision in contract demand of the consumer shall be done as per supply code and H.P.ERC regulations on the request of the consumer after examining applicability as per supply code, Traiff order and Regulation 7(2) of the H.P.ERC Regulations 419/2012. That Superintending Engineer (OP) circle, HPSEBL, Nahan informed Chief Engineer (commercial) wide letter dated 19.1.2017 that complete case of clubbing in respect of the complainant company has been sent for extension of contract demand from 13,000 KVA to 19,475 KVA with 19,475 kW load and clubbing of contract demand 32,00 KVA with 5000 KW load in respect of M/s Aditya Industries making total contract demand to 22,675 KVA with 24,475 KW load. In pursuance to this the complainant company deposited a sum of Rs 1,61,875/- as processing fee for the temporarily enhanced contract demand of 6475 KVA on 27.2.2017. In pursuance to the depositing of the processing fee the Assistant Engineer issued Sundry Job Order dated 27.2.2017 whereby, the contract demand of the complainant company was temporarily enhanced from 13,000 KVA to 19475 KVA with existing current load of 19475 KW. The Chief Engineer (Op) South vide office order dated 3.3.2017 allowed the clubbing of load of M/s Aditya Industries (Connected Load of 5000 KW with 3200 KVA contract demand) with the complaint company. That though the clubbing order was passed but while sanctioning the same Chief Engineer (Op) south wrongly mentioned the contract demand as $15475 + 3200 \text{ KVA} = 18675 \text{ KVA}$ whereas the same should have been $19475 + 3200 \text{ KVA} = 22675 \text{ KVA}$ as the complainant company had got the contract demand enhanced from 13,000 KVA to 19,475 KVA vide Sundry Job Order dated 27.2.2017 and had even deposited the process fee of Rs. 1,61,875 for the same. The Superintending Engineer (Op) Circle, HPSEBL, Nahan after gathering the necessary

information from the field staff informed the Chief Engineer (Op) South vide letter dated 25.4.2017 that the contract demand of the complainant company was temporarily reduced from 19475 KVA to 15475 KVA in the year 2014.

- 5. The respondent Board has shown the existing contract demand of the complainant company as 19475 KW in the A&A Form. That while requesting the Assistant Engineer vide letter dated 24.1.2015 to club the load of M/s Aditya Industries it was specifically mentioned that the existing contract demand of the complainant company was 19475 KVA and this aspect was also shown in the A&A form. The Contract Demand of 19475 KVA was approved by the field staff while forwarding the A&A form of the complainant company, but this aspect has also been overlooked by the Forum while rejecting the claim of the complainant.

Respondents Contention:

- 1. That the total existing load 19475 kW was allotted to the appellant by the answering respondents. It is specifically denied that during the year 2014 the appellant company vide letter dated 06.02.2014 requested the Assistant Engineer/Answering Respondent for temporary reduction of Contract Demand from 19475 kVA to 15475 kVA only for billing purpose. It is however, made clear that at that time there was no provisions prescribed in the rules and regulations in order to reduction of contract demand temporarily for billing purpose. However, it is submitted here that till the 1st amendment in supply code whenever the consumer reduces the contract demand that will be considered permanent reduction of contract demand. It is however, made clear in A&A form in which it has been made clear by the appellant himself that the connected load has been filled by the appellant to the extent of 19475 kW alongwith 19475 KVA – 4000 KVA = 15475 KVA as contract demand. The answering respondents at the request of the appellant permanently considered the reduction of contract demand as 15475 kVA. There is no dispute with respect of reduction of contract demand from 15475 KVA to 11475 KVA as at that time first time the temporary reduction of contract demand has been came into force in the year 2014 and as such the answering respondents accepted the request of the appellant in order to

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reduction the contract demand temporarily from 15475 KVA to 11475 KVA without A&A form.

2. That the appellant requested answering respondent No.4 to club the load of M/s Aditya Industries with the sanctioned load of 19475 on the appellant company. The appellant submitted A&A form for the said demand. The answering respondent no 4 at his own level verify the request of the appellant and thereafter send it for final approval to the Chief Engineer South. Whereas chief Engineer south has approved the total load of appellant from 19475 KW to 24475 KW alongwith contract demand from 11475 KVA+ 3200 JKVA to the load of the 14675 KVA. It is pertinent to mention here that Chief Engineer Sough has also approved the sanctioned contract demand as 11475 KVA + 3200 KVA. It is further made clear that Assistant Engineer, Kala Amb has accepted temporary contract demand from 13000 KVA to 18000 KVA only which was a bonafide mistake. It is a public money and appellant has no right to withheld the public money on technical ground. However, when the bonafide mistake came into the picture the contract demand of the appellant has been duly corrected as 13000 KVA instead of 18000 KVA by the concerned Assistant Engineer ESD Kala Amb.
3. It is submitted here that the appellant was requested to furnish fresh test report and other relevant documents pertaining to the clubbing of load and that was accordingly submitted by the appellant before the answering respondents and clubbed load has been released to the appellant accordingly. It is however, made clear that whatever the bonafide mistake committed by Assistant Engineer, Kala Amb that has been corrected by him after scrutiny the record of the appellant in the office. It is pertinent to mention here that as per clarification issued by the Chief Engineer Commercial it has been made clear that short coming in processing the case by the field units may be examined and consumer may be apprised accordingly. It has been further made clear that by the Chief Engineer Commercial that since the reduction of contract demand to 15475 KVA was not done under the Provision of temporary revision of contract demand and the same was done after obtaining approval of competent authority by applying on A&A form as such the enhancement of contract demand beyond 15475 KVA was to be done as per procedure by obtaining approval of

competent authority. The field officer i.e. Superintending Engineer has duly informed to the chief Engineer South regarding the total connected load as well as contract demand of the appellant company.

4. It is specifically denied that Chief Engineer (Commercial) in response to the letter dated 07.12.2016 wrote a letter dated 16.12.2016 to Chief Engineer (Op) South informing him the clubbing of existing connected load and contract demand has been done on the basis of connected load and the contract demand being availed by the consumer at the time of clubbing of load as intimated by the field units and there is no need to revise the earlier sanction. It is however, made clear that Chief Engineer (Commercial) has wrote a letter to the Chief Engineer (Op) South on various grounds. It is submitted here that the provision of supply code of HPERC regulations are not applicable in the present case. It is pertinent to mention here that Superintending Engineer HPSEBL Nahan informed to the Chief Engineer (Op) South and explained the correct position on the spot as discussed hereinabove after its verification from the other officers of the Board. It is not disputed that the appellant has deposited Rs.1,61,875/- with the respondents. It is specifically denied that the contract demand as $15475 + 3200 = 18675$ KVA whereas the same should have been 22675 KVA as the appellant company has got the contract demand enhanced from 13000 KVA to 19475 KVA. As submitted supra it is made clear that vide sundry Job order where the contract demand of the appellant has been enhanced from 13000 KVA to 19475 KVA has been cancelled and thereafter the appellant was informed on 27.02.2017 to fill new A&A form with contract demand of 18675 KVA instead of 19675 KVA. It is further made clear that after considering the contract demand of the appellant company i.e. 15475 KVA instead of 19475 KVA and asked to the appellant to fill the new A&A form in which it has been specifically mentioned the contract demand of 15475 KVA + 3200 KVA of M/s Aditya Industries. This shows that the appellant company himself admitted this fact that the Board has rightly considered the contract demand of the appellant company as 15475 KVA instead of 19475 KVA. It is made clear that Chief Engineer Commercial has not issued any necessary order in favour of appellant. Rather Chief Engineer (Commercial) sought clarification from (Op) South and Chief Engineer South has demanded report from the

Superintending Engineer, (Op) Circle, HPSEBL Nahan. He gathered the information from the field units and informed to the Chief Engineer (Op) South vide letter 25.04.2017 and contract demand of the appellant company was reduced from 19475 KVA to 15475 KVA in the year Feb., 2014. As submitted supra in the year Feb., 2014 there was no provision of temporary reduction of contract demand and therefore the contract demand i.e. 15475 KVA has been permanently considered. It is further submitted here that the than Assistant Engineer Electrical Sub-Division, Kala Amb has wrongly revised the contract demand to 18000 KVA for billing purpose without any approval however, when this mistake was noticed by the Assistant Engineer, Kala Amb he corrected his own order and the contract demand of the appellant was again reduced from 18000 KVA to 13000 KVA.

5. It is pertinent to mention here that the complainant company admitted that the application for temporary revision of contract demand was made on 06.02.2014 from revision of contract demand 19475 KVA to 15475 KVA for billing purpose whereas at that time there was no regulations/law to approve the revision of contract demand on temporary basis. It is very strange that the complainant company predicted the amendment in regulations in advance. But as far as HPSEBL is concerned, the reduction of contract demand from 19475 KVA to 15475 KVA was sanctioned by HPSEBL vide Chief Engineer (Op) South Office Order dated 10.03.2014 on permanent basis. Further, as per provision of temporary revision of contract demand as reproduced at above only notice of one month in advance is required and there is no need to get any sanction from HPSEBL. Reduction of Contract Demand from 19475 KVAS to 15475 KVA has been done after completing all codal formalities for sanction of contract demand on A&A Form. It is further submitted here that the appellant approached to the replying respondent during 2015 in order to club the contract demand of 3200 KVA M/s Aditya Industries with the contract demand of 19475 KVA of the appellant company. On scrutiny HPSEBL observed that contract demand of the appellant is 11475 KVA instead of 19475 KVA and the same was sanctioned by competent authority as 14675 KVA (3200 KVA) + 11475 KVA vide A&A form dated 28.01.2015. Besides various sanction of contract demand done by the A.E. Kala Amb were all

temporary reductions for billing purpose only and cannot be considered as sanctioned contract demand.

6. It is submitted here that as per the request of the appellant the sundry job order for temporarily enhancement of contract demand from 13000 KVA to 19475 KVA with the existing connected load of 19475 kW was issued on 27.02.2017. It is not disputed that the appellant has also deposited processing fee of the same. It is pertinent to mention here that the above said sundry job order was not effected and the replying respondents have informed to the appellant after scrutiny of the record that the contract demand cannot be temporarily enhanced from 13000 KVA to 19475 KVA because of the reason that the contract demand of the appellant was 15475 KVA which was duly sanctioned by Chief Engineer (Op) South on 10.03.2014. After this, the appellant company filled A&A form on the same day i.e. 27.02.2017 and thereby applied for clubbing of load to the extent of 19475 KW M/s J.B. Rolling Mills + 5000 KW M/s Aditya Industries, total i.e. 24475 KW and contract demand was applied for 15475 KVA + 3200 KVA = 18675 KVA. This case was accordingly recommended by the respondent No.4 for sanctioning after cancellation of sundry job order dated 27.02.2017 for enhancement of contract demand contrarily from 13000 KVA to 19475 KVA. It is specifically denied that the load should have been 19475 + 3200 KVA = 22675 KVA. It is pertinent to mention here that it has specifically admitted by the appellant that he himself is ready to accept the contract demand of 18675 KVA alongwith connected load 24475 KW by filling A&A form.

Forum's Observations:

We have heard the arguments of both the parties and have gone through their claims and counter claims vis-à-vis copies of various details and documents filed with the Complaint and reply thereafter.

It was observed that the Consumer was having a sanctioned load of 19475 kW as per sundry job order dated 16.11.2017. Upto 06.02.2014, the consumer was having his sanctioned CD as 19475 kVA which he got reduced to 15475 kVA on 06.02.2014. He made this request for reduction of CD on temporary basis on A&A Form for billing purpose. The reduction of Contract Demand was sanctioned by the chief Engineer (op) South on

dated 10.03.2014 with the condition that any enhancement of Contract Demand upto sanctioned contract demand, if any, required in future should be regulated as per Sub-Regulation 2(i) of Regulation 7 of HPERC Regulation 419/2012. There was no mention of temporary reduction in the office order whereas the request of the Consumer was for temporary reduction of Contract Demand for billing purpose only. CD was further got reduced during August.2014 from 15475 kVA to 11475 kVA and request was accepted by the A.E. Kala Amb with the condition that enhancement of CD upto the quantum of reduction of CD if any required in future shall be regulated as per Sub-Regulation 2(i) of Regulation 7 of HPERC 419/2012. Then the Consumer requested for clubbing of his load with that of M/s Aditya Industries. The Competent Authority accorded the necessary approval on 29.06.2015 for total sanctioned load as 24475 kW (After Clubbing) with CD as 14675 kVA (3200 kVA of M/s Aditya Industries + 11475 kVA for Consumer). On dated 22.02.2015 the Consumer got temporary revision of his CD from 11475 kVA to 13000 kVA. The A.E. Kala Amb approved the enhancement again as the consumer requested for enhancement of the CD from 13000 kVA to 18000 kVA on dated 29.02.2016. The Respondent Board has consider this enhancement beyond the sanctioned CD of 15475 KVA as AE, Kala Amb was competent to revise the CD only upto 15475 KVA which was sanctioned by the competent authority and this should have been approved from the Board level committee. The consumer contested that his permanent CD should be consider as 19475 KVA not 15475 KVA as he got his CD reduced from 19475 KVA to 15475 KVA on temporary basis. Keeping in view the fact of the case, it is observed that when the CD was reduced from 19475 to 15475 KVA vide Chief Engineer (Op) south office order dated 10.03.2014 there was no such Regulation for reduction of CD temporarily. The provision for reduction of CD for billing purpose on temporary basis was incorporated in the Tariff Order FY 2015 applicable w.e.f. 01.08.2014. Request by the consumer for temporary reduction without any provision in the regulation on the date of applying is not understood.

The Forum order that the Respondent Board has rightly considered the CD as 15475 KVA as permanent and for all purposes for future reduction and enhancement. The Asstt.Engineer, Kala Amb is not competent to enhance CD from 13000 KVA to 18000 KVA i.e. beyond sanctioned (15475 KVA). The Board may initiate action against the erring officer for sanctioning the CD beyond his competency and which was also over looked by the then Sr.Executive Engineer, being Meter Reader. The load may be clubbed considering the CD as 15475 KVA making total CD as 18675 KVA. The case is decided in favour of the Respondent Board and against the consumer.

M.

Electricity Ombudsman findings and Order:

The complainant company M/s J.B. Rolling Mills is having a sanctioned load of 19475 kW and Contract Demand 19475 KVA on 16.11.2007. On 6.02.2014, the complainant company requested to reduce contract demand of 4000 kVA from 19475 kVA to 15475 kVA. The company made the request for reduction of contract demand on temporary basis on A&A form for billing purpose only. The reduction of contract Demand was sanctioned by the Chief engineer (Op) south on 10.3.2014 with the condition that any enhancement of contract demand up to sanctioned contract demand, if any, required in future should be regularised as per sub-regulation 2(1) of Regulation 7 of HPERC Regulation 419/2012. There was no mention of temporary or permanent reduction in this office order whereas the request of the consumer was for temporary reduction of contract demand for billing purpose only. Contract Demand was further reduced during August, 2014 from 15475 kVA to 11475 kVA and request was accepted by the Assistant Engineer, Kala Amb with the condition that enhancement of Contract Demand upto quantum of reduction of Contract Demand, if any, required in future shall be regulated as per sub-regulation 2(1) of Regulation 7 of HPERC Regulation 419/2012. Thereafter, the Complainant Company M/s J.B. Rolling Mills requested for clubbing of load with that of M/s Aditya Industries making it 24475 kW and 22675 kVA on 'A&A' Form duly recommended by the Assistant engineer/Sr. Executive Engineer and Superintending Engineer. The competent authority on 02.07.2015 accorded the necessary approval for total sanctioned load as 24475 kW (after clubbing) with Contract Demand as 14675 kVA (3200 kVA of M/s Aditya Industries + 11475 kVA of M/s J.B. Rolling Mills). On dated 22.9.2015, the complainant company got temporary revision of his contract demand from 11475 kVA to 13000 kVA. The Assistant Engineer, ESD, Kala Amb approved the enhancement again on 29.02.2016 as consumer requested for enhancement of contract demand from 13000 kVA to 18000 kVA.

The complainant company M/s J.B. Rolling Mills letter dated 23.9.2016 requested the respondent to release the clubbed load after depositing of requisite documents as required by the Respondent (A.E. Kala Amb). As a sequel to the submitting of documents the Assistant engineer, Kala Amb issued a Sundry Job Order dated 23.9.2016 of 24436.789 kW after clubbing the load of 19475 kW M/s J.B. Rolling Mills + 4961.789 kW of M/s Aditya Industries with existing contract demand 19475 kVA. On 26.9.2016 the complainant company received a letter from Assistant Engineer, Kala Amb, wherein it was informed that "from the scrutiny of record, the sanctioned load of the company was 14675 kVA whereas your existing demand as on date is 18000 kVA against the sanctioned contract demand of 19475 kVA" and to get the regularisation of Contract Demand from competent authority. On 7.12.2016 the complainant company requested to sanction clubbed load of 24475 kW with 22675 kVA Contract Demand (i.e. 19475 kVA M/s J.B. Rolling Mills + 3200

kVA M/s Aditya Industries) instead of 11475 kVA Contract Demand of M/s J.B. Rolling Mills contending that the reduction of 19475 kVA contract demand to 15475 kVA & 11475 kVA was on temporary basis for billing purpose only. On 21.01.2017 the complainant company requested Assistant Engineer, Kala Amb for temporary enhancement of contract demand from 13000 kVA to 19475 kVA with existing load of 24475 kW and to intimate the processing fee for the enhancement. Subsequently, the complainant company deposited a sum of Rs. 1,61,875/- as processing fee. The Assistant Engineer, Kala Amb issued a Sundry Job Order dated 27.2.2017 whereby the contract demand of complainant company was temporarily enhanced from 13000 kVA to 19475 kVA with existing load of 19475 kW. The Respondent Board cancelled S.J.O. dated 27.02.2017 and asked Complainant company to fill new 'A&A' form with Contract Demand of 18675 kVA (15475 kVA of M/s J.B. Rolling Mills + 3200 kVA of M/s Aditya Industries) instead of 19475 kVA. Accordingly the complainant company filled new 'A&A' form mentioning Contract Demand of 15475 kVA of M/s J.B. rolling Mills + 3200 kVA of M/s Aditya Industries. The Chief Engineer (Op) South vide office letter dated 3.3.2017 sanctioned 24475 kW and Contract Demand 18475 kVA after clubbing of load of M/s Aditya Industries 5000 kW, 3200 kVA with M/s J.B. Rolling Mills 19475 kW and Contract Demand 15475 kVA on A&A form. Huge correspondence exchanged between the complainant and respondent Board (including internal correspondences within the offices of HPSEBL), finally respondent Board stuck to the stand that reduction of contract demand from 19475 kVA to 15475 kVA dated 10.3.2014 is permanent as there was no provision of temporary reduction at that time.


After going through all the documents, claims and counter-claims and hearing the arguments of both parties it is concluded as:

At the outset, it becomes very clear that reduction of contract demand from 19475 kVA to 15475 kVA done on 10.3.2014 on permanent basis is not in order as the request of the complainant was for temporary reduction (for billing purpose only). At this point of time i.e. on 10.03.2014 the regulation 419/2012 was already in force. The sub-regulation 2(i) of Regulation 7 of HPERC Regulation 419/2012 states "(2) In case of reduction of the connected load or contract demand by a consumer the licensee shall maintain adequate spare capacity in the service line for a period of 365 days reckoned from the date of such reduction, so as to meet the load if the said consumer subsequently applies for restoration of his connected load or contract demand so reduced during the said period of 365 days" which implies that any such reduction during this period of 365 days will be a "temporary one".

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Further, the reduction of Contract Demand from 15475 kVA to 11475 kVA vide order dated 22.8.2014 done by respondent (A.E. Kala Amb) is in order as the provision of reduction of Contract Demand on temporary basis was incorporated in Tariff Order FY 2015 applicable w.e.f. 1.8.2014 and was explicated in Himachal Pradesh Electricity Supply Code (First Amendment) Regulation, 2014 which came into force from the date of publication i.e. 16.6.2014 vide insertion of clause 3.10.

On 24.1.2015 the complainant company applied for clubbing of load of 5000 kW, 3200 kVA contract demand of M/s Aditya Industries with 19475 kW, 19475 kVA Contract Demand of M/s J.B. Rolling Mills on 'A&A' Form duly recommended by field officers of respondent Board i.e. Assistant Engineer/ Sr. Executive Engineer/ Superintending Engineer. However, the Chief Engineer (Op) South sanctioned the clubbed load as 24475 kW (19475 kW of M/s J.B. Rolling Mills + 5000 kW of M/s Aditya Industries) with Contract Demand of 14675 kVA (11475 kVA of M/s J.B. Rolling Mills + 3200 kVA of M/s Aditya Industries) on 02.7.2015. This action of respondent Board is not understood and is totally 'bizarre'. It is difficult to understand how the Contract Demand 11475 kVA of M/s J.B. Rolling Mills (which is reduced temporarily for the billing purpose) is being taken as sanctioned Contract Demand for clubbing with M/s Aditya Industries Contract Demand of 3200 kVA? However, this clubbed load was never released. On 22.9.2015, 11475 kVA contract demand (reduced temporarily) of M/s J.B. Rolling Mills enhanced to 13000 kVA and on 29.2.2016 from 13000 kVA to 18000 kVA, which has again been reduced to 13000 kVA in between. Further, the complainant company on 23.9.2016 requested to release the clubbed load, after submitting all documents required by the Respondent Board, (A.E. Kala Amb) issued a Sundry Job Order dated 23.9.2016 clubbing the load 19475 kW of M/s J.B. Rolling Mills with 4961.789 kW of M/s Aditya Industries totaling 24436.789 kW with existing contract demand of 19475 kVA. On 21.1.2017 the complaint company requested for enhancement of contract demand of M/s J.B. Rolling Mills from 13000 kVA to 19475 kVA with existing load of 24475 kW and deposited Rs. 1,61,875/- as processing fee. Consequently the respondent Board (A.E. Kala Amb) issued a Sundry Job Order dated 27.2.2017 wherein the Contract Demand of M/s J.B. Rolling Mills enhanced from 13000 kVA to 19475 kVA. Surprisingly on the same day this S.J.O. was cancelled, but during arguments the complaint company refuted that this cancellation order was ever received by them, but just to avail the Contract Demand 3200 kVA of M/s Aditya Industries and as per insistence/information from the Respondent Board (A.E. Kala Amb) the Contract Demand of M/s J.B. Rolling Mills was mentioned 15475 kVA in 'A&A' form instead of 19475 kVA (already initially sanctioned).



In light of the conclusion, arrived at, after going through all the chronological order of events stated above, the Contract Demand of M/s J.B.Rolling Mills be taken 19475 kVA (Initially sanctioned) for all the intents and purposes

The compliance be reported within a month from the issue of this order.

Dated: 23.07.2018.



[Handwritten Signature]
Electricity Ombudsman