

**PUNJAB STATE ELECTRICITY REGULATORY COMMISSION
SCO NO. 220-221, SECTOR 34-A, CHANDIGARH**

**Petition No. 51 of 2013
Date of Order: 01.11.2013**

In the matter of: Petition for seeking clarification / amendment in PSERC Order dated 23.10.2012 in Petition No.66 of 2011 against clause No.18.4 of the General Conditions of Tariff approved by the PSERC applicable w.e.f. 01.04.2006 and adopted by PSEB (now PSPCL) vide Circular No.36/06 dated 14.07.2006.

AND

In the matter of: Punjab State Power Corporation Limited, The Mall,
Patiala.

Present: Smt.Romila Dubey, Chairperson
 Shri Virinder Singh, Member
 Shri Gurinder Jit Singh, Member

ORDER

This petition has been filed by Punjab State Power Corporation Limited (PSPCL) for seeking clarification / amendment in the Order dated 23.10.2012 passed by the Commission in Petition No.66 of 2011; which had been filed by Shri Tarsem Lal Saini, President, Punjab Rice Millers Association (Regd.) Patiala for amendment in clause No.18.4 of the General Conditions of Tariff approved by this Commission. In its Order dated 23.10.2012, the Commission had amended clause No.18.1 and 18.4(i) of General Conditions of Tariff approved by this Commission along with addition of Note 1 and 2. It was further directed that the billing with the revised / amended methodology shall be implemented by PSPCL from the date of issue of the Order i.e. 23.10.2012 and PSPCL shall make necessary changes in the existing software to make it compatible with the approved billing system. However, till such time the modified software becomes executable, energy bills in respect of Rice Shellers shall be manually prepared by the PSPCL.

PSPCL has sought further amendment of the amended clause 18.4(i) as under:-

Sr.No.	Existing Clause (Before 23.10.2012)	Amended Clause (vide Order dated 23.10.2012 in Petition No.66 of 2011)	Proposal for Amendment in Clause (sought vide this petition)
1.	18.4(i) For exclusive seasonal industries, Monthly minimum charges as applicable in respective schedules of tariff shall be levied on full sanctioned load for the period these industries work during seasonal period of 9 months (from 1 st September to 31 st May next year). However, this working period shall be taken as minimum of 4½ months for the purpose of billing/levy of MMC on month to month basis. Industries which work for more than 9 months and upto 12 months billing shall be done/monthly minimum charges levied on full sanctioned load as mentioned below for the seasonal period of 9 months and for the remaining 3 months (i.e. 1st June to 31 st August) billing shall be done as per tariff applicable to general industrial consumers tariff rate/rate of monthly minimum charges shall be as given in schedule of tariff for large supply /medium supply/small power and as applicable	18.4(i) For exclusive seasonal industries Monthly minimum charges as applicable in respective schedules of tariff shall be levied on full sanctioned load for the period these industries work during seasonal period of 9 months (from 1 st September to 31 st May next year). However, this working period shall be taken as minimum of 4½ months for the purpose of billing/levy of MMC on month to month basis. Industries which work for more than 9 months and upto 12 months billing shall be done/monthly minimum charges levied on full sanctioned load as mentioned below for the seasonal period of 9 months and for the remaining 3 months (i.e. 1st June to 31 st August) billing shall be done as per tariff applicable to general industrial consumers tariff rate/rate of monthly minimum charges shall be as	As per amended clause

	<p>depending upon the sanctioned load.</p>	<p>given in schedule of tariff for large supply/medium supply/small power and as applicable depending upon the sanctioned load.</p> <p>However, billing of rice shellers shall be done as under: -</p> <p>Billing for the rice sheller seasonal industry shall be done monthly. The Seasonal Minimum Energy Charges (SMEC) will principally be based on energy consumption formula $(4800+nx)^9$ wherein monthly energy consumption of 50 kW rice sheller will be taken as 4800 units in accordance with LDHF formula (L-load: 50 KW, D-days: 24 days, H-hours: 10, F-demand factor: 0.4); where 'n' represents numerical number rounded off to two decimal point and will be positive/negative 0,1,2,3,4,5.....upto 'n' for each 10 kW increase/decrease, respectively, with respect to base load of 50 kW. "x" has been taken as 400 units per 10 kW change in load over base load of 50 kW.</p> <p>Once the amount equivalent to minimum energy</p>	<p>Once the amount equivalent to minimum energy</p>
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		<p>charges for 9 months (seasonal period) is deposited by the consumer in the form of consumption, thereafter the bill shall be raised on actual consumption only.</p> <p>During off season period, if the consumption of the consumer exceeds the base energy units worked out with energy consumption formula (4800+nx), 1/3rd extra monthly energy charges at seasonal tariff rate in addition to regular off season energy charges during that month shall be charged.</p>	<p>charges for 9 months (seasonal period) is deposited by the consumer in the form of consumption, thereafter the bill shall be raised on actual consumption only and in no case the consumer will be charged higher than actual metering at the end of season (i.e. after crossing Season Minimum Energy Consumption).</p> <p>During off season period, if the consumption of the seasonal Rice Sheller consumers exceeds the minimum energy consumption during the month as computed with base energy formula (4800+nx), 1/3rd extra of Monthly Energy Consumption (i.e. 4800+nx) at seasonal rate tariff be charged to consumer in addition to its regular off seasonal energy charges billing on</p>
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			total Electricity Consumption of the consumer during that month.
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PSPCL has prayed to consider and approve to amend clause 18.4(i) of General Conditions of Tariff as mentioned in column 'Proposal for Amendment in Clause' as above.

2. The petition was admitted and Shri Tarsem Lal Saini, President, Punjab Rice Millers Association, Patiala who was the petitioner in Petition No.66 of 2011 in which Order dated 23.10.2012 was passed by this Commission, was made a respondent vide Order dated 24.09.2013. The respondent was directed to file response by 27.09.2013 with a copy to PSPCL. The respondent filed its response vide submissions dated 30.09.2013 and concluded submissions as under:-

“Keeping in view of the above submission, it is quite apparent that the officers of PSPCL have not implemented the orders of PSERC dated 23.10.2012 in the right full manner. It is, therefore, humbly prayed to fix responsibility of the delinquent officers and penal action needs to be taken against them as the rice millers of Punjab feels harassed and suffered financially due to the reasons explained above.”

3. During hearing on 01.10.2013, PSPCL sought time to file reply to the submissions dated 30.09.2013 of the respondent. PSPCL filed reply vide memo No.6810 dated 15.10.2013 and submitted as under:-

Sr.No.		
1	Upon filing petition no.66 of 2011 against clause No.18.4 of general conditions of tariff approved by the PSERC by Punjab Rice Millers Association, and subsequent directions PSERC, a meeting was held between PSPCL and PRMA on 13.09.2012. In the said meeting, a	If find appropriate may be added as under:- Once the amount equivalent to minimum energy charges for 9 months (seasonal period) is deposited by the consumer in the form of consumption, thereafter the bill shall be raised on actual consumption only and in no case

	<p>consensus arrived that if any consumer had already exhausted MEC (minimum energy charges) of the season at early stage during the season, then he should be given benefit by adjusting revenue in the next energy bills instead at the end of season as brought out in proposal 'B'. During the course of public hearing on 19.10.2012, various objections were raised by the certain objectors, which were summarized in the order passed on 23.10.2012 by this Commission and according to Para 7(1), it was decided that “once the amount equivalent to Minimum Charges for nine months is deposited by the millers in the form of consumption charges, thereafter the bill should on actual consumption basis only. PSPCL may have to modify its software for such a provision, manual billing may be carried out till then, to implement the same”. Whereas the PSPCL have backed out from the decision already taken in the meeting held on 13.09.2013 as they have neither adjusted the extra amount taken as MEC in the previous months in the next energy bills nor refunded the same, which were charged higher than the actual metering. However, we agree to the proposal put forth by PSPCL in the petition no.51 of 2013 for amendments,</p>	<p><u>the consumer will be charged higher than actual metering at the end of season (i.e. after crossing Season Minimum Energy Consumption).</u></p>
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	<p>“that in no case the consumer will be charged higher than actual metering” or SMEC, whichever is higher</p>	
2	<p>Apart from the above issue, it was also decided in the meeting held on 13.09.2012 that <u>during off season (1st July to 30th September), if a seasonal rice sheller/consumer crosses the threshold limit of base energy consumption(MEC) as per formula then he will be charged 1/3rd of MEC over and above the actual consumption with seasonal rates during the month and this practice will be applicable during the off season.</u> PSPCL on the other hand has been charging 1/3rd on the actual utilization <u>instead of 1/3rd of MEC due to clerical error in the orders passed by PSERC on 23.10.2012 (as monthly energy charges should have been mentioned as minimum energy charges).</u> This aspect needs to be amended accordingly. Keeping in view of the above submission, it is quite apparent that the officers of PSPCL have not implemented the orders of PSERC dated 23.10.2012 in the right full manner. It is therefore, humbly prayed to fix responsibility of the delinquent officers and penal action needs to be taken against them as the rice millers of Punjab feels harassed and suffered financially due to the reasons explained above.</p>	<p>It is all correct as per order dated 23.10.2012 pertaining to appeal no.66/2011 of PSERC. Please refer to sr.point (ix). It is also correct as per above mentioned order and described at pg 7 of PSERC order. However, this should be recovered 1/3rd of Base Energy Formula i.e. 4800+nx.</p> <p>“During off season period, if the consumption of the seasonal Rice Sheller consumers exceeds the minimum energy consumption during the month as computed with base energy formula (4800+nx); 1/3rd extra of Minimum Energy Consumption (i.e. 4800+nx) at seasonal rate tariff be charged to consumer in addition to its regular off seasonal energy charges billing on total Electricity Consumption of the consumer during that month”.</p>

4. During hearing on 23.10.2013, Shri Tarsem Saini submitted that PSPCL had filed a proposal after holding meeting with the petitioner in Petition No.66 of 2011 and the clause No.4c(v) of that proposal be amended to resolve the issue, as under:

“At the end of the season the total energy consumption (worked out under para – (i) above) and i.e. if consumer has already exhausted seasonal minimum energy consumption at the early stage during the season then consumer should be given benefit in the next energy bill and in no case consumer will be charged higher than actual metering”.

PSPCL submitted during hearing that it needed time to respond to the proposed amendment in clause 4c(v) of Shri Tarsem Saini.

However during hearing on 29.10.2013, PSPCL submitted that amendments as prayed vide its submission dated 15.10.2013 be approved by the Commission, as it is.

After hearing the parties on 29.10.2013 further hearing of the petition was closed and Order was reserved.

5. The Commission has considered the submissions of the PSPCL and respondent and heard their arguments. During arguments, PSPCL has conceded that amendment proposed in 1st para of their submission dated 15.10.2013, is not required. The Commission notes that the same is not required as the amendment approved vide Order dated 23.10.2012 in petition no.66 of 2011 is clear and needs no further clarification/amendment.

In view of the above, the Commission decides to approve the following amendments in the existing General Conditions of Tariff for Seasonal Industries:

Sr. No.	Existing clause	Amended clause
1.	18.4(i) For exclusive seasonal industries Monthly minimum charges as applicable in respective schedule of tariff shall be levied on full sanctioned load for the period these industries	18.4(i) For exclusive seasonal industries Monthly minimum charges as applicable in respective schedule of tariff shall be levied on full sanctioned load for the period these industries

<p>work during seasonal period of 9 months (from 1st September to 31st May next year). However, this working period shall be taken as minimum of 4½ months for the purpose of billing/levy of MMC on month to month basis. Industries which work for more than 9 months and upto 12 months billing shall be done/monthly minimum charges levied on full sanctioned load as mentioned below for the seasonal period of 9 months and for the remaining 3 months (i.e. 1st June to 31st August) billing shall be done as per tariff applicable to general industrial consumers. Tariff rate/rate of monthly minimum charges shall be as given in schedule of tariff for large supply/medium supply/small power and as applicable depending upon the sanctioned load.</p> <p>However, billing of rice shellers shall be done as under: -</p> <ul style="list-style-type: none"> • Billing for the rice sheller seasonal industry shall be done monthly. The Seasonal Minimum Energy Charges (SMEC) will principally be based on energy consumption formula $(4800+nx)9$ wherein monthly energy consumption of 50 kW rice sheller will be taken as 4800 units in accordance with LDHF formula (L-load: 50 KW, D-days: 24 days, H-hours: 10, F-demand factor: 0.4); where 'n' represents numerical number rounded off to two decimal point and will be positive/negative 0,1,2,3,4,5.....upto 'n' for each 10 kW increase/decrease, respectively, with respect to 	<p>work during seasonal period of 9 months (from 1st September to 31st May next year). However, this working period shall be taken as minimum of 4½ months for the purpose of billing/levy of MMC on month to month basis. Industries which work for more than 9 months and upto 12 months billing shall be done/monthly minimum charges levied on full sanctioned load as mentioned below for the seasonal period of 9 months and for the remaining 3 months (i.e. 1st June to 31st August) billing shall be done as per tariff applicable to general industrial consumers. Tariff rate/rate of monthly minimum charges shall be as given in schedule of tariff for large supply/medium supply/small power and as applicable depending upon the sanctioned load.</p> <p>However, billing of rice shellers shall be done as under: -</p> <ul style="list-style-type: none"> • Billing for the rice sheller seasonal industry shall be done monthly. The Seasonal Minimum Energy Charges (SMEC) will principally be based on energy consumption formula $(4800+nx)9$ wherein monthly energy consumption of 50 kW rice sheller will be taken as 4800 units in accordance with LDHF formula (L-load: 50 KW, D-days: 24 days, H-hours: 10, F-demand factor: 0.4); where 'n' represents numerical number rounded off to two decimal point and will be positive/negative 0,1,2,3,4,5.....upto 'n' for each 10 kW increase/decrease, respectively, with respect to base load of 50 kW. "x" has
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	<p>base load of 50 kW. “x” has been taken as 400 units per 10 kW change in load over base load of 50 kW.</p> <ul style="list-style-type: none"> • Once the amount equivalent to minimum energy charges for 9 months (seasonal period) is deposited by the consumer in the form of consumption, thereafter the bill shall be raised on actual consumption only. • During off season period, if the consumption of the consumer exceeds the base energy units worked out with energy consumption formula $(4800+nx)$, 1/3rd extra monthly energy charges at seasonal tariff rate in addition to regular off season energy charges during that month shall be charged. 	<p>been taken as 400 units per 10 kW change in load over base load of 50 kW.</p> <ul style="list-style-type: none"> • Once the amount equivalent to minimum energy charges for 9 months (seasonal period) is deposited by the consumer in the form of consumption, thereafter the bill shall be raised on actual consumption only. • During off season period, if the consumption of the consumer in any month exceeds the base energy units/monthly minimum energy consumption worked out with energy consumption formula $(4800+nx)$, 1/3rd extra energy charges worked out by multiplying base energy consumption/monthly minimum energy consumption (i.e. $(4800+nx)$) with seasonal tariff rate shall be charged, in addition to regular off season energy charges during that month.
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The General Conditions of Tariff and Schedule of Tariff shall get amended in terms of the above.

PSPCL shall make necessary changes in the existing software to make it compatible with the now approved billing system. However, till such time the modified software becomes executable, energy bills in respect of Rice Shellers shall be manually prepared by the PSPCL.

The petition is disposed of, accordingly.

Sd/-
(Gurinder Jit Singh)
Member

Sd/-
(Virinder Singh)
Member

Sd/-
(Romila Dubey)
Chairperson

Chandigarh
Dated: 01.11.2013