

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

**Petition No. 42 of 2013
Date of Order: 06.09.2013**

In the matter of: Petition regarding clause 47 of PSERC 'Conditions of Supply' (heading as well as 47.1) – Clarification/Modification and for applying the said provision for independent, continuous supply 66 KV Feeder Consumers as well. **AND** U/S 142 / 146 of the Electricity Act, 2003 for punishment to the respondents, for their failure to comply with orders / directions issued by this Commission in Petition No.28 of 2011, decided on 07.09.2011, whereby amended / substituted clause 47 of COS was made applicable w.e.f. 15.09.2011. **AND** Suitable order / directions directing the respondents to provide for separate line to the new consumer M/s Emson Gears Limited, which has been wrongly provided energy connection by solid tapping from '66 KV Independent Feeder of Avery Cycle Industry' as being not a Continuous Process Industry. **AND** In the meanwhile, suitable interim orders / directions be issued to the respondents to restrain them from converting the nature of Independent Feeder of petitioner known as '66 KV Independent Feeder of Avery Cycle Industry' into a Mixed Feeder.

AND

In the matter of : Avon Ispat and Power Limited (formerly known as Avery Cycle Industries Limited) (Hot Rolled Strip Division) Focal Point, Phase-VIII, Chandigarh Road, Ludhiana

Versus

1. Punjab State Power Corporation Limited (PSPCL) through its Chairman cum Managing Director.
2. Chief Engineer/Central, PSPCL, Ludhiana.

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

ORDER

This petition has been filed by Avon Ispat and Power Limited, formerly known as Avery Cycle Industries Limited (Hot Rolled Strip Division) Ludhiana. The petitioner is a Large Supply industrial consumer having

contract demand of 16600 kVA on independent 66 kV feeder. This 66 kV line was erected entirely at the cost and expense of the firm from 220 kV substation, Sahnewal. Apart from this, the petitioner had borne the charges for circuit breaker (both OCB as well as VCB) and 66 kV Bay. In the year 1999, the petitioner had paid Rs.1,72.73,000/- towards cost of line, Rs.37,00,000/- towards cost of bay circuit breaker and Rs.3,00,000/- towards cost of technical and civil works. These costs also included establishment charges. The petitioner was granted the status of continuous process industry in 1999 by Chief Engineer/SO&C and by the Chief Engineer/PPR in the year 2012 under the revised procedure approved by the Commission.

The petitioner has further submitted that PSPCL has released an electric connection to Emson Gears Limited (non continuous process industry) by solid tapping on the petitioner's independent feeder. No previous consent or concurrence of the petitioner was obtained by the respondents before tapping the petitioner's independent feeder. The petitioner submitted a detailed representation dated 17.6.2013 to respondent No.2 (CE/Central, PSPCL, Ludhiana) with a copy to respondent no.1 (PSPCL through its CMD). The petitioner has submitted that he had spent huge amount of about Rs.2 crore in 1999 for its independent feeder, whereas the new consumer, Emson Gears Limited has been charged only a sum of Rs.65.03 lac towards 66 kV line in 2012-13. The Petitioner has reproduced the amended Conditions of Supply (CoS) clause 47 (Provision of 11 kV Independent Feeder for Consumers) and also para 19 of Electricity Supply Instructions Manual (ESIM), and has mentioned that there is a discrepancy in clause 47(i) of CoS vis-a-vis clause 5.2 of CoS, read with General Conditions of Tariff and Schedules of Tariff, issued by the Commission on 06.03.2006. As per these Regulations/Instructions, no industrial consumer will be supplied power on 11 kV beyond 2500 kVA. In case, an industrial consumer with contract demand exceeding 2500 kVA wants supply, he will have to get the same on 33/66 kV. On the other hand, in the amended clause 47.1 of CoS, it has been provided that "other industrial consumers with contract demand exceeding 2500 kVA may apply for an independent feeder to avail the benefit of uninterrupted supply of electricity.....". In this manner, any industrial consumer with contract

demand of more than 2500 kVA would be entitled to seek release of connection on 11 kV instead of 33/66 kV as provided in CoS.

The petitioner has further submitted that there is no provision for 33/66 kV independent feeder consumers, akin to that of 11 kV independent feeder for consumers in the Conditions of Supply. In case the discrepancy is not removed, the existing consumers having continuous process industry like the petitioner, would be discriminated against only because they happen to be on 66 kV supply rather than on 11 kV. In fact, a perusal of clause 5.2 of CoS and other provisions contained in the Electricity Act, 2003 and regulations framed there-under will reveal that consumers have been encouraged to set up their industries on a high supply voltage. Thus, an industrial consumer on 66 kV would be put at a disadvantageous position than that of consumer on 11 kV. Rather a consumer on 66 kV voltage supply having added to the infrastructure development by investing in the 66 kV substation of his own and laying down his independent line at his expense and also bearing the transformation/transmission line losses is required to be compensated further rather than being discouraged by only providing salutary provision of clause 47 of CoS, limiting to 11 kV feeder. If the purpose of the amended provision of clause 47 of CoS is to be achieved, then in place of "11 kV", it is to be provided as "11 kV/33 kV/66 kV". In other words, the Rules and Principles laid down in clause 47 of CoS ought to have been made applicable *mutatis mutandis* for 66 kV independent consumer feeder like that of the petitioner.

Going by the same principles as laid down in clause 47 of CoS, tapping on the independent feeder of the petitioner can be permitted only on existence of conditions as mentioned in the *ibid* clause. The petitioner has submitted that none of these conditions exists. There is no technical constraint in supplying power through separate feeder to the new consumer Emson Gears Ltd. Secondly, the new consumer Emson Gears Ltd. is not of similar nature to that of the petitioner, i.e. new consumer is not a continuous process industry. Furthermore, no information in respect of such technical constraint or prior concurrence of the petitioner was obtained before tapping 66 kV independent feeder of the petitioner. In case of any tripping on account of negligence on the part of any consumer on the same line, the petitioner will have to unnecessarily bear heavy loss. The petitioner in its petition has proposed two

changes in Clause 47 of Conditions of Supply, to make clause 47 of Conditions of Supply in consonance with para 5.2 of Conditions of Supply, read with General Conditions of Tariff and Schedules of Tariff.

It has been prayed that clause 47 of PSERC Conditions of Supply may be clarified/modified for applying the said provisions for independent, continuous supply 66 kV independent feeders as well, and taking action against the respondents for their failure to comply with orders/directions issued by the Commission in Petition No.28 of 2011, decided on 07.09.2011, whereby amended clause 47 of Conditions of Supply was made applicable, with effect from 15.09.2011. It has been further prayed that suitable order/direction be issued directing the respondents to provide separate line to Emson Gears Ltd, which has been provided by solid tapping from 66 kV line feeding the petitioner.

The petition was admitted by the Commission vide Order dated 05.08.2013, with directions to PSPCL to file its reply to the petition by 20.08.2013. The next date of hearing was fixed for 27.08.2013.

PSPCL vide its letter no.6134 dated 19.8.2013 filed the reply to the petition and has submitted that Emson Gears Ltd. applied for new connection vide A&A No.34959 dated 06.10.2010 for connected load of 5000 kW and contract demand of 3500 kVA. The feasibility clearance was granted by the competent authority on 10.09.2010, as per which the load and contract demand was to be released through newly proposed 66 kV feeder (Emson Gear Feeder) to be erected through solid tapping of 66 kV Avery Cycle feeder with approx. 880 meter length. The estimate was prepared as per Feasibility Clearance and sanctioned by the competent authority, and demand notice was issued on 21.01.2011. The consumer deposited Rs.65,03,312/- as Service Connection Charges on 30.06.2011. The consumer also deposited ACD & Meter Security of Rs.27,50,990/- on 06.07.2011. The erection of line was completed by TLSC, Bathinda and the connection was released after clearance certificate from Chief Electrical Inspector vide letter no.1082 dated 22.04.2013. The consumer was provided connection vide SCO No.84/23856 dated 07.06.2013, effected on 07.06.2013.

It has been further submitted by PSPCL that para 15.4 of ESIM clearly states "Notwithstanding that whole or a part of service connection charges

have been paid by the consumer or it has been got erected by the consumer, the whole of service line together with any wires, meters and other apparatus belonging to the PSPCL on the consumer's premises shall be and remain the property of the PSPCL and shall be maintained by the PSPCL," and as such, PSPCL is free to use any line already erected by anyone, without his consent. It has also been submitted that as per Regulation 2.3.7 of Electricity Supply Regulations, amended up to 31.12.2004, under schedule of Service Connection Charges, the capacity up to 100% of the original sanctioned load or balance capacity left over after release of original load, whichever is lower, be kept reserved for a period of 5 years for the consumer who initially pays fully for the cost of line, and if such consumer comes forward for extension in load within a period of 5 years, difference of Service Connection Charges worked out on the basis as applicable from time to time for total load including extension in load and cost of line deposited at the time of release of original load, shall be deposited by such consumer. Hence, the Avery Cycle, whose connection was released in 1999, has no right after 5 years, to restrain PSPCL to use its 66 kV line for giving connection to any other consumer. It has also been submitted that para 4.6 (ix) of ESIM provides that in between, tapping of existing transmission line, emanating from mother station (132/220 kV), is permissible for new connection/extension in load subject to following conditions:

- (a) The facility of solid tapping will be available only if the length of line from the T-off point to the consumer premises is up to 2 kms. The number of consumers on any 33/66 kV line shall not exceed 5 irrespective of size of conductor so as to ensure proper energy audit, control of theft of electricity and fault clearance.
- (b) The consumer shall submit an undertaking that he/she/they shall have no claim for failure of supply irrespective of duration of failure as the solid tapping shall result into longer time period for identification/segregation of fault.
- (c) For all prospective consumer not covered in (a) above and where supply is to be given at 33 kV and above, the principle of LILO shall be made applicable i.e. loop in-loop out arrangement shall be made at

consumer's sub-station for which the expenditure will be borne by the consumer.

It has further been submitted that Emson Gears Ltd. has deposited the cost of new erected line only and no part of the Avery Cycle feeder has been recovered from Emson Gears Ltd, except proportionate cost as per CC No. 36/2002.

It has also been submitted by PSPCL that clause 47 of CoS is applicable to 11 kV independent feeder, whereas the present case is of tapping of 66 kV line. It has been submitted that the new line has been erected and tapped from Avery Cycle feeder keeping in view all the technical constraints. It has further been submitted that the connection to Emson Gears Ltd. has been released as per ESIM, and there is no discrepancy in this regard. As per para 9.2(ii) of ESIM, LS consumers with CD exceeding 2500 kVA & up to 20 MVA & other Arc Furnace consumers up to 2500 kVA without having the specified protection system for suppressing voltage surge will be supplied electricity at 33/66 kV supply voltage. The tapping of Avery Cycle Feeder has caused no extra tripping. PSPCL has further stated in its reply that the connection to Emson Gears Ltd has been sanctioned and released as per rules and regulations framed by PSPCL in concurrence with PSERC and there is no restriction on tapping of existing 66 kV line for continuous process Industry or otherwise. The status of continuous process industry gives extra benefit to the consumer to use load in peak load hour restrictions. PSPCL has prayed that there is no need for amendments and modifications as they will not have any effect on this case and requested that the Petition may be dismissed.

Arguments of both parties were heard on 27.08.2013 and the matter was closed. Order was reserved.

The Commission has considered the submissions of the petitioner and PSPCL and oral submissions and arguments during hearing. The provisions under clause 47 of the Conditions of Supply for allowing an independent 11 kV feeder to the consumers running Essential Services and/or Continuous Process Industries irrespective of their load/contract demand or other industrial consumers with a contract demand exceeding 2500 kVA has been specifically made for consumers getting supply at 11 kV voltage and are not

applicable to 66 kV voltage consumers. The quality of supply to the consumers at 66 kV is better than the quality of supply to the consumers at 11 kV, even if supply is given to more than one consumer, through solid tapping or through loop in-loop out arrangement. The connection to Emson Gears Ltd. by solid tapping of 66 kV line feeding Avon Ispat and Power Ltd, Ludhiana, has been released by PSPCL in compliance with various provisions of the Conditions of Supply and Electricity Supply Instructions Manual. It is not advisable to provide separate 66 kV line for Emson Gears Ltd. keeping in view the limited right of way for erection of lines in the congested areas of the big cities. PSPCL should ensure that the continuous process industry of the petitioner may not suffer unnecessarily due to solid tapping of 66 kV line feeding its load.

The petition is disposed of accordingly.

Sd/-
(Gurinder Jit Singh)
Member

Sd/-
(Virinder Singh)
Member

Sd/-
(Romila Dubey)
Chairperson

Chandigarh
Dated: 06.09.2013