

Rajasthan Electricity Regulatory Commission

Petition No. RERC/1823/20

Petition filed under Section 142 of Electricity Act 2003, for contravention of Regulation 22 (1) of the RERC (Conditions of Licence) Regulations, 2004, and Hon'ble APTEL's order dated 16.07.2020.

Coram:

Shri Shreemat Pandey, Chairman
Shri S.C. Dinkar, Member
Shri Prithvi Raj, Member

Petitioner : M/s Shree Cement Ltd.

Respondent : Jodhpur Vidyut Vitran Nigam Ltd.

Date of hearing : 10.12.2020 and 05.01.2021

Present : 1. Sh. Amarjit Singh, Authorised rep. for Petitioner
2. Sh. Bipin Gupta , Advocate for Respondent

Order Date: 18.01.2021

ORDER

1. Petitioner, M/s Shree Cement Ltd. has filed this petition on 21.10.2020 under Section 142 of Electricity Act 2003, for contravention of Regulation 22 (1) of the RERC (Conditions of Licence) Regulations, 2004, and Hon'ble APTEL's order dated 16.07.2020.

2. Notice was issued to Respondent Jodhpur Vidyut Vitran Nigam Ltd. (JdVVNL) on 26.10.2020 to file reply on the petition. JdVVNL has not filed

any written reply in the petition. However, JdVVNL filed its written submissions on 08.01.2021 after hearing of the matter.

3. The matter was finally heard on 05.01.2021. Sh. Amarjit Singh, Authorised representative appeared for Petitioner, Sh. Bipin Gupta, Advocate appeared for Respondent JdVVNL.
4. Petitioner in petition and during hearing submitted as under:
 - 4.1. Petitioner is engaged in the business of cement manufacturing and generation of power and to meet power requirement of its cement operations has set up Captive Generating Plants (CPPs) having capacity of 310 MW at Beawar/Ras.
 - 4.2. Petitioner executes transmission and wheeling agreement with RVPNL and concerned distribution licensees for wheeling power generated by CPPs under Medium Term and Short Term Open Access to its various cement facilities. Petitioner is also having a regular contract demand of 1000 KVA and standby demand of 12500 KVA.
 - 4.3. Commission vide its order dated 06.02.2020 passed in petition no. 1543/2019, levied parallel operation charges on all captive consumers @Rs. 20/- per kVA per month.
 - 4.4. Respondent, on the basis of the order dated 06.02.2020 of the Commission, levied parallel operation charges on the Petitioner for the months of February, March, April and May'20. Further, parallel operation charges for the month of June'20 were levied along with LPS on previous month's charges. Thereafter parallel operation charges for the period from Feb'20 to June'20 are being shown as arrears in the bill along with LPS in the billing months of Aug'20 to Oct'20.

- 4.5. Petitioner had filed an appeal before the Hon'ble APTEL against the Commission's order dated 06.02.2020. Hon'ble APTEL vide its order dated 16.07.2020 set aside the parallel operation charges levied by Commission vide its order dated 06.02.2020. The same has attained finality as no appeal was filed by the Respondent before the Hon'ble Supreme Court of India.
- 4.6. Subsequently, letters have been sent to Respondent in August, 2020 and September, 2020 requesting for revising the bills however, till date no revision has taken place in the bill.
- 4.7. Petitioner after much efforts and follow-up has left with no option but to approach the Commission seeking penal action against the Respondent for such a flagrant violation of the directions of a statutory body and the Regulations of the Commission.
- 4.8. In view of above submissions, it prayed to-
- i. Determine whether the levy of parallel operation charges and LPS on the same in the billing months Aug'20-Oct'20 tantamount to violation of RERC (Conditions of License) Regulation, 2004.
 - ii. Take appropriate action against the Respondent under Section 142 of the Electricity Act, 2003.
5. Sh. Bipin Gupta, Advocate on behalf of the JdVVNL during the hearing and written submissions submitted as under:
- 5.1. Commission vide order dated 06.02.2020 allowed to recover the parallel operation charges. In the light of the order passed by the Commission, JDVVNL raised the demand of parallel operation charges for the period of Feb, 2020 to June, 2020.

- 5.2. The said demand was not deposited by Petitioner as stay was granted by the Hon'ble APTEL. Thus no charges in actual were paid by Petitioner and therefore no recovery was made and it was shown as deferred liability. Further, Hon'ble APTEL vide order dated 16.07.2020 has set aside the parallel operation charges.
- 5.3. As such, no charges have been recovered by the JdVVNL from Petitioner and it has only been shown as deferred liability, which is also being credited and will not be shown in future bills as outstanding liability.
- 5.4. Contention of Petitioner that it has suffered financial injury is totally baseless as no amount has been deposited by the Petitioner. There is also no violation of Regulation 22(1) of RERC(Conditions of License) Regulations, 2004 as no recovery has been effected on the Petitioner, thus the petition is liable to be dismissed.

Commission's view

6. Commission has considered all the submissions made on behalf of the Petitioner and Respondent.
7. It is the case of the Petitioner that Hon'ble APTEL vide its order dated 16.07.2020 has set aside the parallel operation charges allowed by Commission vide its order dated 06.02.2020. In spite of that Respondent has levied the parallel operation charges on the Petitioner from February, 2020 to June, 2020 and even after several requests not withdrawn the said charges.
8. Per contra Respondent contended that in the light of the order passed by the Commission, it has raised the demand of parallel operation charges for the period of Feb, 2020 to June, 2020 in the billing month of June, 2020.

9. Respondent submitted that the said demand was not deposited by Petitioner as stay was granted by the Hon'ble APTEL. Thus no charges in actual were paid by Petitioner and it was shown as deferred liability only which is also being credited and will not be shown in future bills as outstanding liability.
10. Commission observes that Respondent has levied the parallel operation charges on the Petitioner from Feb, 2020 to June, 2020 before the order of the Commission dated 06.02.2020 was set aside by Hon'ble APTEL. Now, Respondent has submitted that it will credit the levied parallel operation charges from the bills of the Petitioner in next billing cycle and also assured that it will not be shown in future bills as outstanding liability.
11. In light of the above submission, Commission directs Respondent to credit the parallel operation charges levied on the Petitioner from Feb, 2020 to June, 2020 in the next billing cycle positively.
12. The petition is disposed of accordingly.

(Prithvi Raj)
Member

(S.C. Dinkar)
Member

(Shreemat Pandey)
Chairman