

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

**Petition No. 26 of 2018  
Date of order :28.09.2018**

Present: Ms. Kusumjit Sidhu, Chairperson  
Sh. S.S. Sarna, Member  
Ms. Anjuli Chandra, Member

In the matter of: Petition under Section 142, 146, 149 read with other relevant provisions of the Electricity Act, 2003 and Regulation 68, 69 and 71 and provisions of Chapter XI of Punjab State Electricity Regulatory Commission (Conduct of Business) Regulations, 2005 as amended up to date and other relevant rules and regulations as approved by the Commission for directing the Respondent to refund the amount receivable by the Petitioner on account of threshold consumption for the year 2016-17, in line with the directions issued by this Commission vide communication dated 07.03.2018;

AND

For directing the Respondent to refund the ED, IDF, along with Penal Interest thereof, in line with the statement made by the Respondent before this Commission while adjudication of Petition No. 42 of 2017 inter-alia filed by the Petitioner.

AND

In the matter of: Bhawani Castings Pvt. Ltd., having its office and works at Ambey Majra, Mandi Gobindgarh, District Fatehgarh Sahib, through its Director Sh. Ashok Kumar Aggarwal.

...Petitioner

Versus

Punjab State Power Corporation Ltd., having its Office at The Mall, Patiala through its Chairman-cum-Managing Director.

...Respondent

## **ORDER**

Bhawani Castings Private Limited (BCPL), has filed the present petition for direction to the Respondent to refund the amount receivable by the Petitioner on account of threshold consumption for the year 2016-17, in line with the directions issued by the Commission vide communication dated 07.03.2018 and for directing the Respondent to refund the ED and IDF on the total refund of threshold consumption along with Penal Interest for the late refund for the period these remained with PSPCL in an unauthorized manner, in line with the statement made by the Respondent before the Commission while adjudication of Petition No. 42 of 2017 inter-alia filed by the Petitioner. The petition was fixed for hearing on admission on 12.09.2018.

2. The submissions made by the Petitioner, in brief, are as under:

- i. That the Commission in Petition No. 64 of 2016 vide Order dated 18.10.2016 had clarified the Para 7.4.3 of the Tariff Order for FY 2016-17 and held that for calculating threshold limit, maximum of the annual consumption of power of last two financial years has to be considered which would entitle Large Supply Industrial Consumers in the State of Punjab for base tariff rate of Rs. 4.99/kVAh for power consumed beyond threshold limit as per paragraph 7.4.3 of Tariff Order for FY 2016-17.
- ii. That the Commission in its Tariff Order dated 27.07.2016 for the FY 2016-17 observed that ARR for FY 2016-17 has projected a surplus of 18124 MU during FY 2016-17.

The Commission further worked out the financial impact of power to be surrendered, on the basis of data supplied by PSPCL in ARR as Rs.2075 crore for the year 2016-17. The Commission directed a base tariff rate of Rs.4.99 per kVAh for incremental PSPCL power consumption above a stipulated threshold limit. Under Para 7.4 titled "Sale of Surplus Power" in the Tariff Order for FY 2016-17, the Commission vide Para 7.4.3 (i) provided for calculation of threshold limit.

- iii. That consequently, aggrieved, BCPL along with others preferred a Petition bearing no. 42 of 2017, under Section 142, 146 and 149 read with other relevant provisions of the Electricity Act, 2003 and Chapter XI of PSERC (Conduct of Business) Regulations, 2005 as amended up to date and other relevant rules and regulations as approved by the Commission for non-compliance of Order dated 18.10.2016 passed in Petition no. 64 of 2016. The Petition no. 42 of 2017 was decided by the Commission vide Order dated 06.03.2018.

That thereafter, the Commission vide its communication dated 07.03.2018 addressed to PSPCL rendered clarification inter-alia, regarding calculation of threshold limit in case of change in the contract demand, whereby the Commission in para "A" of the communication while categorically referring to the Tariff Order for FY 2016-17 has clarified as under:-

*"Perusal of the methodology specified under para 7.4.3 (i) of the Tariff Order for FY 2016-17, reveals that, the*

*provision for adjustment of consumption on pro-rata basis has been made only in case of reduction/extension in load/demand taking place in any of the last two financial years to work out the threshold consumption for that financial year i.e. in case of reduction/extension in load/demand during any of the two previous financial years, the consumption of the relevant year shall be reduced/enhanced on pro-rata basis, as the case may be for the purpose of working out of the threshold consumption of that year.”*

PSPCL on the basis of the clarification rendered by the Commission vide communication dated 07.03.2018 came out with a commercial circular No. 14 of 2018 dated 19.03.2018 in line with the ibid clarification.

- iv. The Petitioner inter alia prayed for the following:
- a. To direct PSPCL to refund the amount receivable by BPCL as to the benefit on account of threshold consumption for the year 2016-17, in line with the directions issued by the Commission vide communication dated 07.03.2018;
  - b. To direct PSPCL to refund the ED and IDF on the total refund of Threshold Consumption;
  - c. To direct PSPCL to pay penal interest for the late refund of the above payments for the period these remained with PSPCL in an un-authorized manner, in line with the statement made by PSPCL before the Commission while adjudication of Petition No. 42 of

2017 filed by BPCL.

3. After examining the Petition and the submissions made by BPCL, the Commission noted that the Petitioner himself has submitted that PSPCL has issued a Commercial Circular no. 14 of 2018 in compliance to the communication dated 07.03.2018 issued by the Commission and the petitioner has already been granted the benefit for the year 2017-18. Further, submissions made by the petitioner in its petition indicate that process of refund for the year 2016-17 was also initiated by PSPCL but is pending for want of some audit observations.

**Thus, the Commission is of the view that PSPCL has in no way contravened Commission's Order/ instructions and therefore, the provisions of section 142 and related sections of the Electricity Act, 2003 are not attracted as averred by the Petitioner in the petition. Hence, the present petition is devoid of merits and is not admitted.**

**It is further observed that as the matter relates to billing issue, the petitioner is at liberty to approach the Forum for Redressal of Consumer Grievances of PSPCL established under section 42 (5) of the Electricity Act, 2003 for the purpose.**

**Sd/-  
(Anjali Chandra)  
Member**

**Sd/-  
(S.S. Sarna)  
Member**

**Sd/-  
(Kusumjit Sidhu)  
Chairperson**

Chandigarh  
Dated: 28.09.2018