

TAMIL NADU ELECTRICITY REGULATORY COMMISSION
(Constituted under section 82 (1) of the Electricity Act, 2003)
(Central Act 36 of 2003)

PRESENT:-

Thiru S.Akshayakumar Chairman

and

Thiru.G.Rajagopal Member

Date of order : 23-12-2015

In the matter of summons notice TNERC/Legal/AD(L)/F.Show Cause/D.No.1296 of 2008 dated 10-09-2008 issued to the Member (Distribution), TNEB and the Superintending Engineer, Dharmapuri Electricity Distribution Circle to explain contravention of the Tamil Nadu Electricity Distribution Code;

and

In the matter of stay of Lr.No.CE/Comml/EET/AEE1/F.TNERC/D.120/08, dated 14-08-2008.

ORDER

In Letter No.CE/Commercial/EET/AEE1/F.TNERC/D.120/08, dated 14-08-2008 of the Tamil Nadu Electricity Board reference has been made to the Notification issued by the Andhra Pradesh State Regulatory Commission in the matter of recovery of expenses for providing electric line for electric plant. The said Regulations of Andhra Pradesh Electricity Regulatory Commission were withdrawn by the said Regulatory Commission subsequently and are not in force. Further, in para 5 of the Letter of the Chairman, TNEB No.CE/Commercial/AEE1/F.TNERC/D.147/08, dated 08-09-2008, it has been stated that the Chief Engineers and Superintending Engineers have been instructed to collect extension cost as per the procedure recommended by TNEB in their letter dated 14-08-2008 in anticipation of approval of TNERC. The power to prescribe charges recoverable from a person

requiring supply of electricity is vested in the TNERC under section 46 of the Electricity Act, 2003 and the TNEB has no jurisdiction to order collection of the charges in anticipation of the approval of the TNERC. The said letter of TNEB dated 14-08-2008 was violative of the Regulations of Tamil Nadu Electricity Regulatory Commission as stated below:-

- a) *Collection of extension cost and strengthening cost for the LT line / HT line / EHT line constitutes violation of Regulation 45 (1) (ii) of Tamil Nadu Electricity Distribution Code.*
- b) *Collection of the proportionate cost of distribution transformer / power transformer is a violation of Regulation 45 (1) (ii) of Tamil Nadu Electricity Distribution Code.*
- c) *Collection of cost of new breaker and current transformers and potential transformers is a violation of Regulation 45 (1) (ii) of Tamil Nadu Electricity Distribution Code.*
- d) *In para 2 of Lr.No.CE/Comml/AEE1/F.TNERC/D.147/08, dated 08-09-2008 Chairman/TNEB has reported that meter cost is being collected. This constitutes violation of Regulation 46 of the Tamil Nadu Electricity Distribution Code.*

Taking note of the above violations, the Commission made an order of stay of the said letter of the Chief Engineer i.e. Letter No.CE/Commercial/EET/AW1/F.TNERC/D.120/08, dated 14-08-2008 vide order of the Commission dated 19-09-2008, directing the TNEB to forward to the Commission a copy of the instructions of the TNEB staying their earlier orders.

It is observed in this connection that in the Minutes of Review Meeting by the Chairman TNEB with the Chief Engineer's (Distribution) on 04-07-2008 under the head "General" the following were inter-alia minuted:-

"The recovery of charges on stipulation in 44 and 45 and as discussed in the review meeting has to be followed."

“The cost of extending supply to all HT, LT/CT and all industrial services to be collected, as per TNERC’s Distribution Code.”

As stated above, the Commission stayed the letter of TNEB dated 14-08-2008 which sought to make collection of extension cost as per the above Minutes since such a procedure was violative of sub-regulation(1) of regulation 45 and regulation 46 of the Tamil Nadu Electricity Distribution Code. The Tamil Nadu Electricity Board vide its Memo No.CE/Commercial/EET/AL1/F.TNERC/D.159 of 2008 dated 19-09-2008 has ordered that the said Minutes under heading “General” may be kept in abeyance. However, by communication dated 22-05-2009, the Commission again directed the TNEB to withdraw the instructions issued to its field engineers vide its letter No.SE/RE&I(D)/EE/RE/A2/F.Review Meeting/D.No.1063/2008,dated 14-07-2008 regarding collection of cost for extending the supply to all HT, LT/CT and all industrial services. The TNEB was further directed therein to refund the money collected pursuant to the order to the consumers.

The above directions of the Commission were acted upon by the TNEB vide its Memo No.CE/Commercial/EET/AW1/F.TNERC/D.293/09, dated 13-07-2009 addressed to all the Chief Engineers (Distribution). The said Memo read as follows:-

“In the letter (iii) cited above Hon’ble TNERC has directed TNEB to withdraw the instructions issued to field engineers vide letter dated 14-07-2008 regarding collection of cost for extending supply to all HT, LT/CT and industrial services. Hence, the instructions issued under the reference (i) and procedure communicated in reference (ii) cited above regarding collection of extension cost are hereby withdrawn.

Action may be taken to refund the amount to the applicants / consumers if any collected pursuant to the orders (i) and (ii) cited above, after evolving revised estimates as per the procedure now in vogue and obtaining sanction from the competent authority”.

In view of the said Memo dated 13-07-2009 of the TNEB, the subject communications which led to the stay order of the Commission dated 19-09-2008 are not in vogue any more and thus nothing survives for further disposal by the Commission and hence there is no necessity to continue the proceeding initiated by the Commission further and the same need to be closed. Accordingly, the above proceedings are hereby closed.

(Sd.....)
(G.Rajagopal)
Member

(Sd.....)
(S.Akshayakumar)
Chairman

/ True Copy /

Secretary
Tamil Nadu Electricity
Regulatory Commission

