

HARYANA ELECTRICITY REGULATORY COMMISSION
BAYS No. 33-36, SECTOR-4, PANCHKULA- 134113, HARYANA

Date of hearing: 20.04.2011

Date of order: 03.05.2011

IN THE MATTER OF:

Implementation of judgment of Hon'ble APTEL dated 24th March, 2011 in appeal No. 138 of 2010 filed by M/S JSL limited, Hisar against the Commission's order dated 25th March, 2010 allowing power factor rebate on FSA.

Present

Shri Bhaskar Chatterjee, Chairman

Shri Rohtash Dahiya, Member

Shri Ram Pal, Member

ORDER

The Commission vide its order dated 5th December, 2006 allowed recovery of FSA and other charges from consumers w.e.f 1st December, 2006. After issuance of the order, Northern Railways filed an application before the Commission seeking power factor rebate to be allowed on FSA. The Commission considered the request and allowed power factor rebate on FSA vide order dated 20th July, 2007. The rebate was allowed prospectively i.e. from the date of the order. Subsequently DHBVNL issued sales circular dated 5th November, 2008 and allowed power factor rebate from the date of their sales circular instead of 20th July, 2007 as ordered by the Commission in case of Northern Railways. Subsequently M/s JSL Limited and M/S Star Wire (India) Limited filed separate application (s) seeking power factor rebate from December, 2004 onwards on the plea that power factor rebate on energy charges was made applicable from December, 2004. The Commission after taking into account the submissions of the petitioners and the distribution licensee and after holding a hearing in the matter on 17th March, 2010 issued order dated 25th March, 2010 that

power factor rebate on FSA shall be allowed w.e.f 20th July, 2007. It was also ordered that the amount which becomes refundable for the period between the Commission's order dated 20th December, 2007 and the licensee's Sales Circular dated 5th November, 2008 may not be refunded back to the petitioner at present rather the same may be calculated and adjusted in the running energy bills of the petitioner in equated installments spreading over next twelve months.

Aggrieved by the order of the Commission, M/S JSL Limited filed appeal No. 138 of 2010 before the Hon'ble APTEL seeking power factor rebate on FSA from December, 2006. The Hon'ble APTEL vide its judgment dated 24th March, 2011 ordered as under:

".....On going through the records, it is seen that the benefit accrued from December, 2006 on which month the FSA was introduced and therefore we are of the view that the appellant is entitled to rebate from December, 2006 Accordingly, we set aside the order impugned remanding the matter to the commission to decide the matter afresh in the light of our findings after hearing the parties concerned including the consumer similarly placed."

In compliance to the order of the Hon'ble APTEL the Commission scheduled a hearing on 20th April, 2011. Notice of hearing was issued to M/S JSL limited, M/S Star Wire India Limited and DHBVNL. The hearing was held on the scheduled date which was attended by all petitioners as well the respondent Nigam.

Shri R. K. Jain, who appeared on behalf of M/S JSL limited and M/S Star Wire India Limited briefed the Commission about the fact that FSA is part of energy charges. It was pointed out that if they are allowed power factor rebate on FSA w.e.f December, 2006 the liability of DHBVNL shall not be a huge one. He also informed the Commission that the number of consumers who are maintaining higher power factor is negligible in the State of Haryana as compared to those who are paying penalty due to poor power factor. Hence on a net basis there will not be any adverse

financial impact on the Nigam, as contended by them and argued for allowing power factor rebate on FSA w.e.f December, 2006.

Shri P. C. Gupta, CGM / Commercial DHBVNL, did not contest the submission made by Shri R. K Jain on the issue of additional financial burden.

After taking into account the judgment of the Hon'ble APTEL, the submissions made by the parties in the hearing and its earlier orders on the subject, the Commission allows power factor rebate on FSA from 1st December, 2006 to the extent of actual FSA recovered so far, to all the eligible consumers subject to the condition that payment / recovery on this account shall be calculated by DHBVNL and UHBVNL and the same shall be adjusted in 12 equal monthly installments from the running energy bills of the affected consumers.

The Commission disposes of the matter accordingly

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 3rd May, 2011.

Date: - 03.05.2011

Place: - Panchkula

(Ram Pal)
Member

(Rohtash Dahiya)
Member

(Bhaskar Chatterjee)
Chairman