

**IN THE JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION AT
RANCHI**

Case No. 7 of 2023

M/s Sigma HTS LLP Petitioner

Versus

Tata Steel Utilities and Infrastructure Services Ltd. (TSUISL) Respondent

**CORAM: HON'BLE JUSTICE MR. AMITAV KUMAR GUPTA, CHAIRPERSON
HON'BLE MR. MAHENDRA PRASAD, MEMBER (LAW)
HON'BLE MR. ATUL KUMAR, MEMBER (TECH)**

For the Petitioner : Mr.Dhananjay Kumar Pathak, Advocate

For the Respondent : Mr. A.N. Choudhary, Chief Manager, TSUISL

Date – 12th September, 2023

1. The Petitioner-M/s Sigma HTS LLP has filed an affidavited petition under section 62 (5) and 62 (6) read with section 129 of the Electricity Act., 2003 inter-alia for issuance of a direction to TSUISL to grant appropriate voltage rebate in terms of tariff order for FY 2021-22 published on 24.11.2022 effective from 01.12.2022.
2. The Prayers of the petitioner- M/s Sigma HTS LLP are as under: -
 - (a) For commanding upon the respondent licensee to grant appropriate voltage rebate to the petitioner who is a high tension (HT) consumer of the respondent licensee, strictly in accordance with the tariff order 2021-22 and not to misinterpret the provisions of tariff in restrictive manner to debar the bonafide and legitimate benefits given by this Hon'ble Commission to the HT consumers of respondent licensee.
 - (b) For issuance of appropriate direction to the respondent TSUISL to adjust/refund the voltage rebate for the month of Dec, 2022 onwards in the subsequent months bill along with interest payable in terms of clause 11.7.4 of the Supply Code Regulation especially considering the facts that the respondents have deliberately misinterpreted the tariff order 2021-22 so far it relates to the provisions of voltage rebate and have illegally denied the said rebate to petitioner.
 - (c) For issuance of appropriate order/ directions to the respondent licensee to secure compliance of tariff order 2021-22 and pass on appropriate voltage rebate to the petitioner who has taken supply at 33KV and for further direction to them to segregate the cost of supply at each voltage levels and file the next tariff order with proposal for different tariff for different voltage levels.
 - (d) For issuance of appropriate direction upon the respondent TSUISL to grant the benefit of voltage rebate to the petitioner availing supply at 33KV as an interim relief during the pendency of the instant application.
 - (e) For issuance of such other order or orders as Your Honors may deem fit and proper in the interest of justice.

Submissions of the Petitioner

3. Learned Counsel for the petitioner submitted that the petitioner is a Limited Liability Partnership Firm incorporated under LLP Act, 2008 having an automotive unit engaged in heat treatment of bearings, rollers, canes & cups and forging and has established a industrial units in the area of Adityapur of

Saraikele-Kharsanwan region and has taken electrical connection under HTS tariff with a contract demand of 2200 KVA at 33KV from TSUISL.

4. It was pointed out that section 62 of the Electricity Act, 2003 makes specific provision for different tariff at different voltage levels and tariff is generally low at higher voltage levels because of lower T&D and AT & C losses, lower R&M cost etc. and cited the Section 62 (3) of the Electricity Act, 2003 which reads as under:-

“Section 62. (Determination of tariff): -

(3) The Appropriate Commission shall not, while determining the tariff under this Act, show undue preference to any consumer of electricity but may differentiate according to the consumer's load factor, power factor, voltage, total consumption of electricity during any specified period or the time at which the supply is required or the geographical position of any area, the nature of supply and the purpose for which the supply is required.”

5. It was submitted that the cost of procurement of power is also different for different voltage levels and the cost to supply of power to the consumers at higher voltage levels is lower in comparison to the consumers connected at lower voltage level primarily because the AT&C and T&D losses at higher voltage are less and the distribution licensee is benefited by supplying power at higher voltage. In this regard, the licensee also promotes for taking power at higher voltage by giving rebates in the name of voltage rebates which can be also construed that a margin of saving which is being made by the licensee by supplying voltage at high level is being shared by the licensee with HT consumers by giving voltage rebate.
6. It was submitted that in the TSUISL's Tariff for FY 2020-21, same principles and analogy was kept by this Hon'ble Commission regarding voltage rebate for the consumers connected at the higher voltage levels detailed as under:-

“A 14: TERMS AND CONDITIONS OF SUPPLY

Clause IV: Voltage Rebate *Voltage rebate* will be applicable on demand and energy charges as per the JSERC (electricity supply code regulation, 2015) as amended from time to time at rate giving below: -*

Consumer Category	Voltage Rebate*
<i>HTS/HT institutional - 33 KV</i>	<i>3.00%</i>
<i>HTS/HT institutional - 132 KV</i>	<i>5.00%</i>
<i>HTS/HT institutional - 220 KV</i>	<i>5.50%</i>
<i>HTS/HT institutional - 400 KV</i>	<i>6.00%</i>

Note: - the above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebate. However, the applicable rebate shall be allowed to consumers with outstanding dues, therein such dues have been stayed by the appropriate court.”

In the said context, the petitioner TSUISL in the ARR and tariff petition for 2021-22 had proposed the voltage rebates only for consumer category of 33KV and 132KV in the following manner: -

“5.12.4 Clause IV: Voltage, Rebate

Voltage rebate will be applicable on Demand and Energy Charges as per the JSERC (Electricity Supply Code) Regulations, 2015 as amended from time to time at the rate given below:*

Consumer Category	Voltage Rebate*
<i>HTS/HT institutional - 33 KV</i>	<i>2.50%</i>
<i>HTS/HT institutional - 132 KV</i>	<i>3.00%</i>

The above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebates. However, the applicable rebates shall be allowed to consumers with outstanding dues, wherein such dues have been stayed by the appropriate authority/Courts.”

7. It was also submitted that in the process of public hearing the respondent TSUISL proposed voltage rebate only for 33KV and 132 KV with only restriction that it should be on energy charges only. The proposal of the respondent has been explained under clause 9.9 of the tariff order 2021-22 which reads as under: -

“The petitioner has further proposed voltage rebate only for 33KV and 132 KV. However, the petitioner has proposed the voltage rebate to be applicable only on energy charges instead of fixed charges and energy charges.”

However, the Hon'ble Commission after analysis modified the voltage rebate under clause 9.16 to be applicable only for 33KV and 132 KV restricted to energy charges only which reads as under: -

“9.16- the commission has modified the voltage rebate considering the market scenario. The voltage rebate shall be applicable only for 33 KV and 132KV as per JSERC Supply Code regulation, 2015 as amended from time to time. Further voltage rebates shall be applicable only on energy charges.”

8. It was submitted that this Commission has allowed the voltage rebate in the tariff order dated 24.11.2022 for the FY 2021-22 under Section A13 of the said order which reads as under:-

“Section A13

Clause IV: Voltage Rebate*

Voltage rebate will be applicable on demand and energy charges as per the JSERC (Electricity Supply Code) Regulation, 2015 as amended from time to time at the rate given below:

Consumer Category	Voltage Rebate*
<i>HTS/HT institutional - 33 KV</i>	<i>2.50%</i>
<i>HTS/HT institutional - 132 KV</i>	<i>3.00%</i>

**Note:- It is clarified that, if a consumer who is eligible to get supply at 11 kV as per classification as mention in clause 4.3 of the JSERC Electricity Supply Code Regulation, 2015 and then the consumer opts for connection at 33 KV then consumer shall be eligible for voltage rebate at 3 %. Similarly, if a consumer who is eligible to get supply at 33 kV as per JSERC supply Code Regulation, 2015 and opts for connection at 132 kV then consumer shall be eligible for voltage rebate at 5 %. Further no voltage rebate shall be applicable for above 132 KV. It is further clarified that the existing consumer at 11kV and 33kV opts for higher voltage, rebate shall be applicable for such consumers”*

9. It was pointed out that the above provisions made it amply clear that this Hon'ble Commission has provided voltage rebate to the category of consumers having 33KV or 132KV, however, in terms of clause 4.3 read with clause 4.5 of the JSERC Supply Code Regulation, 2015 it has also extended the benefits of voltage rebates to such consumers whose category as per its contract demand is 11kV, however, they have opted for 33 KV supply. Similarly the consumer whose category is 33KV but have opted for supply at 132 KV will be

allowed voltage rebate at higher rate. However, neither it stipulates nor in any manner it can be interpreted that the regular consumer under the category of 33KV and/or 132KV has been ousted/debarred from the benefits of availing voltage rebate.

10. It was submitted that while calculating and finalizing the TSUISL's tariff for 2020-21, this Commission in the tariff order dated 30.09.2020 has followed the methodology of determination of Average Cost of Supply instead of Voltage-wise cost of supply or category wise cost of supply and such methodology is followed apparently due to lack of sufficient data given by TSUISL in the tariff petition, however average cost of supply methodology is not correct way of determination of tariff as this methodology does not indicate the costs incurred by consumers at different voltage levels because consumers at different voltage levels use different sets of assets of the network.
11. It was submitted that the respondent TSUISL has misinterpreted the tariff order of the Hon'ble Commission and has denied the voltage rebate to the HTS/HT consumers who fall under consumer category of 33KV or 132KV and are availing power within their category. It was also added that clause 4.5 of the JSERC (Electricity Supply Code) Regulations, 2015 has been misinterpreted by the respondent. The TSUISL has assumed that as per the conditions put up in the clause 4.5, voltage rebate to the EHT consumers having contract demand falling under the category of 11KV and connected at higher voltage or 33KV or the consumers having contract demand falling under 33KV and connected at higher voltage or 132 KV and as per the interpretation of the respondent TSUISL voltage rebate will be available only when such consumers are connected at the higher voltage level than the category prescribed under clause 4.3 of the Supply Code Regulation. Such assumptions by the respondent i.e. TSUISL seems not to be the correct interpretation of the tariff order 2021-22 and it has been purposely so misinterpreted by the respondents to get undue financial gain by denying the voltage rebate as per tariff order to the existing class of consumer availing power at 33KV or 132KV. The voltage rebate which was been provided in the previous tariff order 2020-21 has been withdrawn after implementation of tariff order 2021-22.
12. Learned Counsel for the petitioner in its conclusion prayed that the instant case is fit case for intervention of this Hon'ble Commission to ensure that the petitioner is not deprived of voltage rebate to which the petitioner is legally entitled as per the tariff order and cannot be withheld by the respondents while misinterpreting the provisions of tariff and in contravention to the direction passed by this Hon'ble Commission.

Replies of the Respondent

13. The representative of the respondent submitted that the Petitioner has taken the electricity connection of 2200 kVA at 33 kV and has prayed for rebate on the basis of clause 4.3 read with clause 4.5 of JSERC (Electricity Supply Code) Regulations, 2015 as well as Tariff Order dated 24.11.2022 for the year 2021-22.
14. It was pointed out that clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015 specifies system of supply including voltage level for Low Tension, High Tension & Extra High Tension and it further specifies that contract load exceeding 1500 kVA and upto 10000 kVA is to be supplied power at 33 kV. Clause 4.5 of JSERC (Electricity Supply Code) Regulations, 2015 specifies that consumers availing supply at voltage higher than above

classification will get High Voltage Supply rebate and it is evident that Voltage Rebate would be allowed only to those consumers who are availing power supply at voltage higher than as prescribed in the classification provided under clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015.

15. It was submitted that the Petitioner's Contract Demand is **2200 kVA** which falls under "**Contracted load exceeding 1500 kVA and up to 10000 kVA**", is to be supplied power at 33 kV, as provided under clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015 and the petitioner is not availing supply at voltage higher than classification provided in clause 4.3, and therefore, the Petitioner is not entitled for Voltage Rebate.

16. It was pointed out that this Hon'ble Commission has already clarified and removed all doubts in respect of eligibility of Voltage Rebate especially in para 32 of the order dated 12.06.2023 passed in Case No. 29 of 2020 (SAIL-Bokaro Steel Pant vs DVC), which reads as follows,

"It is also observed that the petitioner has a contracted load of 220 MVA, i.e. exceeding 20000 kVA and according to clause 4.5 of the JSERC (Electricity Supply Code) Regulations, 2015, the petitioner for being eligible for getting voltage rebate needs to be connected at a 'voltage higher than above classification' i.e., the 'System of Supply' is required to be '3 phase at 400kV'. However, the petitioner is Connected at load line of 220 kV level."

It was also added that this Hon'ble Commission has also dealt with one more similar matter in Case No. 27 of 200 (Association of DVC HT consumers of Jharkhand vs DVC) wherein this Hon'ble Commission held the same view which it held in above said Case No. 29 of 2020 and thereafter passed similar order dated 12.06.2020.

17. It was submitted that in view of the above said facts and circumstances the petitioner is not eligible for any Voltage Rebate whatsoever.

Commission's observation and findings

18. The Commission has considered the submissions made by the parties and perused the materials available on records.

19. For better appreciation it is necessary to reproduce Clause 4.3 & 4.5 of JSERC (Electricity supply Code) Regulations, 2015 which reads as under:

"4.3 Supply shall generally be given at the following voltages on the basis of contracted load:

Category	System of Supply
Low Tension	
All installations (other than irrigation pumping and agricultural services) with a contracted load upto 5 kW	Single phase at 230 V
Irrigation pumping and agricultural services and all installations with a contracted load of more than 5 kW and up to 85 kW/100 kVA	3 Phase, 4 wire at 400 V
High Tension	
Contracted load exceeding 100 kVA and up to 1500 kVA	3 Phase at 6.6 kV / 11 kV / 22 kV
Contracted load exceeding 1500 kVA and up to 10000 kVA	3 Phase at 22 kV/ 33 kV
Contracted load exceeding 10000 kVA and up to 20000 kVA	3 Phase at 33 kV
Extra High Tension	
Contracted load exceeding 20000 kVA	3 Phase at 66 kV/ 110 kV/ 132 kV/ 220 kV

4.4

4.5 Consumers availing supply at lower voltage than above classification will be required to pay Low Voltage Supply Surcharge as prescribed the Commission from time to time. Similarly consumers availing supply at voltage higher than above classification will get High Voltage Supply Rebate as prescribed by the Commission from time to time.”

20. It is also pertinent to observe that ‘**Clause IV: Voltage Rebate**’ of TSUISL’s Tariff order dated November 24, 2022 reads as under :

“1) It is clarified that, if a consumer who is eligible to get supply at 11kV as per classification as mentioned in Clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015 and then the consumer opts for connection at 33kV then consumer shall be eligible for voltage rebate of 3%. Similarly, if a consumer who is eligible to get supply at 33kV as per Clause 4.3 of JSERC (Electricity Supply Code) Regulations, 2015 and opts for connection at 132kV then consumer shall be eligible for voltage rebate of 5%. Further, no voltage rebate shall be applicable above voltage level of 132 kV. It is further clarified that the existing consumers at 11kV and 33kV opts for higher voltage, rebate shall be applicable for such consumers.

2) The above rebate will be available only on monthly basis and consumer with arrears shall not be eligible for the above rebate. However, the applicable rebate shall be allowed to consumers with outstanding dues, wherein such dues have been stayed by the appropriate Courts.”

21. Admittedly the petitioner has a Contracted load of **2200 kVA**, i.e. exceeding 1500 kVA and up to 10000 kVA and according to Clause 4.5 of the JSERC (Electricity Supply Code) Regulations, 2015, in order to be eligible for voltage rebate, the petitioner needed to be connected at a ‘**voltage higher than above classification**’ i.e., the ‘*System of Supply*’ is required to be ‘**3 phase at 66 kV/110 kV/132 kV/220 kV**’. However, in the instant case the petitioner is connected at 33kV level.

In the result, it is ordered as;

ORDER

22. In view of the discussions made in the foregoing paragraphs and the facts stated above, the petition is not maintainable as it is devoid of merit.

23. As a result, the petition stands rejected.

Sd/-
Member (T)

Sd/-
Member (L)

Sd/-
Chairperson