



Chhattisgarh State Electricity Regulatory Commission

Civil Lines, G.E. Road, Raipur – 492001

Tel: 0771-4073555, Fax-4073553

Petition No. 15/2007(M)

M/s. Jindal Power and Steel Ltd.

----- **Petitioner**

V/s.

Chhattisgarh State Electricity Board, Raipur

----- **Respondent**

Copy of Order in order sheet dated 20.07.2007

Shri Devesh Uparati, GM (Technical) present for the petitioner. Shri Arun Bhatnagar, SE for the respondent

2. The petitioner makes his written submission, a copy of which was given to the respondent. Heard both the parties on the point of admission of petition for hearing. The facts of this case are that the petitioner has a captive power plant and is liable to pay parallel operation charges @Rs.10 per KVA per month on the installed capacity of the plant, as per the tariff order of this Commission for the year 2006-07, passed in petition No.24 of 2006(T), on 13/9/06. Apparently the respondent CSEB had assessed the installed capacity of the captive plant on the basis of 0.9 power factor. Subsequently, by a circular dated 19/3/07 issued by Chief Engineer (Commercial), the CSEB clarified that parallel operation charges should be levied on the capacity of a generator as indicated in terms of KW and KVA on the nameplate of the generator. The nameplate PF of the generating plant of the petitioner is 0.8 and the KVA rating of the generator is also indicated on the nameplate. As a result of this reassessment the petitioner was asked to pay an additional amount of Rs.8672441/- to the Board towards difference of the parallel operation charges worked out on the basis of the actual power factor indicated on the nameplate of the generator. The plea of the petitioner is that the installed capacity of a generator should be taken in MVA considering 0.9 as the average PF. This is in keeping with the orders of the Commission that this is the desirable PF to be maintained by any consumer. This is the PF, moreover, which has been reckoned for PF incentive and penalty. Parallel operation charges should be levied as per the orders of the Commission on the installed capacity, which has to do with PF since the charge is being levied on KVA basis. For calculation of KVA of a plant the actual PF attained, which in the petitioner's case is 0.9 and more, should be taken and not 0.8 as given in the nameplate capacity of the generating plant. The charges should be levied on JSPL, as also other captive plants, only on the basis of operating parameters. Taking the nameplate PF of 0.8 and assessing capacity in KVA and imposing charges on that basis may not be logical as it indirectly imposes penalty on better performance by way of better PF.

3. The respondent Board per contra argues that the petition is not maintainable as it raises a billing dispute which is a consumer grievance and comes under the purview of the Consumer Grievance Redressal Forum and not the Commission. This has been held by the Hon'ble Appellate Tribunal for Electricity in Appeal No. 99 of 2006 vide their judgement dated 28.11.2006 in which the order passed by this Commission was set aside for lack of jurisdiction. Even on merits it was contended

that the order of the Commission with regard to parallel operation charges was very clear. The relevant order (para 5.18 of order dated 13/9/06 aforementioned) states that parallel operation charges are to be levied at the rate of "Rs.10 per KVA per month on the installed capacity of CPP as fixed by the Commission in its order passed on 6/2/06 in petition No.17 of 2005(M)". The order referred to also says that the charges are to be levied on the installed capacity of the CPP. The installed capacity of a generator is indicated on the nameplate either in MW or MVA or both. In case, it is indicated in MW only, MVA capacity can be worked out by applying the power factor indicated on the nameplate whatever be its operational parameters. There is no reason to take an average power factor if the actual power factor is indicated on the nameplate of the generator for the purpose of calculating installed capacity of the power plant. Therefore even on merits prima facie the petitioner has no case.

4. After having considered the arguments of both the parties we are of the view that the matter raised in the petition relates to a billing dispute and the petitioner should appropriately approach the Consumer Grievance Redressal Forum.

5. The petition is accordingly rejected at the point of admission without considering the merits of the case.

Copy of the order be given to the petitioner and the CSEB.

Sd/-
Member

Sd/-
Chairman

True Copy

(N.K.Rupwani)
Secretary