

Before the Electricity Ombudsman

(Appointed by the Joint Electricity Regulatory Commission
for the State of Goa and UTs, under Section 42 (6) of the Electricity Act, 2003)
Second Floor, HSIIDC Office Complex, Vanijya Nikunj, Udyog Vihar, Phase-V, Gurgaon (Haryana)
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Appeal/ Representation No. 11/2012

Sub: Representation Before the Electricity Ombudsman for JERC for the State of Goa and UTs against the order dated 31.08.2012 (Consumer Case No. 62/2012) of CGRF, Puducherry by M/s Chemfab Alkalis Limited, Kalapet, Puducherry, (EHT Consumer with a contracted demand of 14 MVA connected through a dedicated 110 KV feeder line), on the matter of deficiency in supply of electricity to them by Puducherry Electricity Department (PED).

M/s Chemfab Alkalis Limited
'Gnanananda Place' Kalapet
Puducherry- 605 014

Appellant

V/s

The Superintending Engineer-I,
Electricity Department,
No. 137, NSC Bose Salai,
Puducherry- 605 001.

The Executive Engineer- I,
The Executive Engineer-IV
The Executive Engineer- VIII

Electricity Department,
No. 137, NSC Bose Salai,
Puducherry- 605 001.

On behalf of Licensee
(PED)

Respondent

Present:

Shri V. K. Khanna, Electricity Ombudsman for JERC for State of Goa and UTs

On behalf of the Appellant:

Represented by Shri M.G. Prabhakar (nominated), assisted by Shri V.R. Raguraman and Shri V. Radhakrishnan

On behalf of the Respondent:

(Puducherry Electricity Department)

Shri D. Ravi, S.E- III (on behalf of S.E- I)
Shri V. Sridharan, E.E- I
Shri G. Ramasundram, E.E-IV
Shri A. Selvaraj, A.E / Kalapet

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ORDER

(Settlement through mediation and conciliation)

The above cited representation received in the Office of Electricity Ombudsman for JERC for the State of Goa and UTs on 01st October, 2012 was admitted on 3rd October, 2012. A copy of the same as received from the Appellant was forwarded to the Respondent on the same day with the direction to submit their remarks/counterstatement on each of the points/issues relating to the matter of this representation supported by copies of relevant documents by 14th October, 2012, with a copy of the same to the Appellant. The reply was received from S.E- I, PED, though belated, in the Office of Ombudsman on 30th October, 2012.

Hearing in the case was held at Puducherry on 6th November, 2012.

Brief Facts of the Case

The Appellant, M/s Chemfab Alkalis Limited (CAL) is an EHT category Consumer located at 'Gnanananda Place', Kalapet, Puducherry, currently with contracted demand of 14 MVA (erroneously mentioned as 14 MW in the representation) availing supply from PED through a dedicated 110 KV feeder line from 110/22 KV Kalapet Sub-station which presently is connected to the 230/110 KV Bahour Auto Sub- station (in the representation mentioned as connected to Villianur Auto Sub-station, which, currently, is not so) . The Appellant is a continuous process industry producing caustic soda and allied products, employing sophisticated membrane technology which has become a bench mark technology. According to the Appellant, since the nature of processing is very sensitive due to deployment of critical equipment, it is very essential that electricity supply is continuous for safe operation of the plant.

In the recent years supply of electricity to their plant was subjected to frequent tripping and interruptions. Apart from unplanned load shedding, restrictions have seriously hampered production besides causing considerable damage to the sensitive membrane used in the process. Power interruptions have not only reduced the life of membrane but also reprocessing of materials which were in various stages of processes (semi-finished). Load restrictions have become a routine affair for the past 5 years. The load was restricted to 4 to 6 MW on a regular basis which adversely affected their production and consequently resulted in losses.

The Appellant brought these issues and difficulties faced by them to the notice of the PED from time to time including month- wise details of power interruption/ load shedding. Having failed to get any response or remedial action on resolution of their problem by PED, the Appellant filed a complaint before the Consumer Grievances Redressal Forum (CGRF), Puducherry on 18th July, 2012, alleging frequent interruptions in power supply to their plant, and prayed that the PED be directed to ensure uninterrupted, quality and reliable power supply for continuous safe operation of the plant. The CGRF passed an Order on 31.08.2012 (Consumer Case No. 62/2012) and directed that the PED may examine allowing 8 MW load at all times and also introduce suitable mechanism for better coordination and exchange of information between the high end consumer (like the Appellant) and the field officers of PED at times of interruptions and emergencies.

Aggrieved and not satisfied with this order of CGRF which according to the Appellant is of general nature and by no means assures any tangible improvement in the quality of supply in the foreseeable future and even does not give any specific direction on

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their request for assured minimum 8 MW supply, the Appellant filed this representation before the Electricity Ombudsman for JERC with the following prayer:

Prayer

1. To direct the Respondents to supply electricity as per the Standard of Performance laid down by JERC for the State of Goa and UTs; and
2. To pass such other orders as may be deemed necessary in the facts and circumstances of this representation, in the interest of justice and equity.

Settlement by Agreement

Both the parties under this representation were informed by the office of Electricity Ombudsman on 25th October, 2012 to appear before the Ombudsman for the hearing at Puducherry on 6th November, 2012 at 11:00 Hrs in the Court Room of the office of CGRF, Puducherry. It was indicated to both the Appellant and the Respondent to put forth and explain their position in person or by an authorised representative (not advocates) to answer all material questions and produce relevant documents relating to all the issues on the subject matter of this representation. It was also indicated in the notice that the endeavour of the Ombudsman, in the first instance, during this hearing will be to facilitate settlement of the grievance in the representation through mediation and conciliation.

Both the parties appeared and were heard. The reply dated 25th October, 2012 (received by office of Ombudsman on 31.10.2012) to the representation filed by the Respondent (S.E-I, PED) and the Appellant's rejoinder dated 5th November, 2012 to this reply of the Respondent, handed over to the Ombudsman at the commencement of the hearing, were also gone through and examined.

The Appellant represented by Shri M.G. Prabhakar and assisted by Shri V.R. Raguraman and Shri V. Radhakrishnan, reiterated the position with regard to deficiency of supply of electricity to their plant as detailed in the representation. The Appellant submitted that majority of the interruptions in supply of electricity related to deficiencies in upkeep of the transmission/ distribution system and in this connection referred to various provision of JERC Distribution Code and Supply Code which the Respondent has failed to adhere to for ensuring quality reliable supply. Had the Respondent realised its obligations to meet the requirements of JERC Regulations and taken appropriate measures to upkeep and upgrade the transmission/ distribution system, such interruptions in supply caused due to temperature related issues, overloading of power transformer, fault tripping, line clearance matters etc. which are in control of the Respondent could have been avoided. Further, the Respondent has also failed to adhere to the Standard of Performance notified by JERC and in this connection referred to the details with regard to SOP brought out in their rejoinder submitted at the commencement of the hearing. The Appellant also submitted that during the deficit regime if the Respondent was not able to adhere to the Standard of Performance, it was obligatory on its part to approach JERC seeking directions for load shedding protocol for ensuring equitable supply of electricity under Section 23 of the Electricity Act, 2003 which the deemed licensee i.e. the PED failed to do.

When enquired about the existence of standby captive arrangement at the Appellant's Plant for supply during emergencies and its capacity which according to the details outlined

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in the order of the CGRF is stated to be 3.5 MW, the Appellant submitted that no such captive arrangement exists in their plant and the information given in the order of the CGRF is factually wrong. Even the Respondents at this stage confirmed that no such standby captive power is available with them and the Appellant for its power needs is totally dependent on the PED supply. Both the Appellant and the Respondent had no reply as to why did they not question this information wrongly inserted in the CGRF's order.

Responding to the issues relating to deficiency of supply of electricity as made in the Appellant's representation and points put forth during the hearing, the representative of the Respondent present during the hearing did not deny the fact that quite a large number of interruption in supply were no doubt due to system deficiency or on account of inadequacy of transmission / distribution system. Another main reason for such interruptions, of late, is also due to the recent over heating of the 230/110 KV Auto transformer of Bahour Sub-station. He submitted that the 110/22 KV Kalapet Sub-station feeding the Appellant's plant was originally fed from 230/110 KV Villianur Sub-station but subsequently during January, 2011 due to over loading of this Sub-station, the load of 110 KV Kalapet Sub-station was transferred to the 230/110 KV Bahour Auto Sub-station. Over a period of time due to increase in demand at this Auto Sub-station also reached the threshold limit of safe loading and the OLTC mechanism of the Auto transformer- II failed in late October, 2011 and was put back in service by the end of November, 2011. During this period load restrictions were resorted to by PED as only one out of the two 80 MVA Auto transformers was in service. This caused interruptions of the supply to the Appellant's plant as well. Further the Respondent submitted that during summer months due to increase of ambient temperature and due to high loading of the Auto transformers, the winding temperature gets frequently activated and during such periods all the 110 KV Sub-stations including the one feeding the Appellant's plant connected to the 230 KV Bahour Auto Sub-station were directed to restrict the load to the consumers, as far as possible to the bare minimum, to bring down the winding temperature of the auto transformers.

The representative of the Respondent also submitted that the PED is taking all necessary steps to enhance the evacuation capacity of the transmission/ sub-transmission/ distribution system to meet the growing load of the Puducherry region. He submitted that PED is exploring the possibilities of allowing the Appellant's plant to avail a minimum load of 8 MW as suggested by the CGRF in its order and had also initiated steps to strengthen the communication between the affected high end consumers and the field officers of the PED during times of emergencies and interruptions in power supply. In this connection, he submitted that the work of establishment of a third 230/110 KV Auto Sub-station at Thondamanatham is almost nearing completion which is likely to be commissioned by the end of December, 2012 and also submitted that once this Sub-station comes up the over loading of both 230/110 KV Villianur and Bahour Sub-stations would be reduced as the load would be shared by new Sub-station. The overheating of the power transformer at Bahour Sub-station would then no longer be there and load restrictions or interruptions arising out of overheating would be wiped out.

After hearing both the Appellant and the Respondent on the matter as in the preceding two paragraphs, it was ascertained as to whether, in view of the steps having been taken by the PED to upgrade and enhance its system capacity including the commissioning of the third 230/110 KV Sub-station at Thodamanatham confirmed by the Respondent PED and consequently when the quantity and quality of power supply would drastically stand improved, the Appellant was willing for a settlement mutually agreeable to both of them.

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Shri M. G. Prabhakar, appearing on behalf of the Appellant appreciated the efforts being made by the Respondent to strengthen its system for ensuring quality supply to the consumers and agreed for a settlement with the Respondent on the condition that the PED shall ensure the minimum supply of 8 MVA to their industry/ plant, except under the circumstances beyond PED's control.. The representative of the Respondent present during the hearing confirmed that the 230/110 KV Sub-station at Thondamanatham would be commissioned by 31st December, 2012 or possibly even before this date and thereon agreed to the requirement of the Appellant for ensuring the minimum supply of 8 MVA to the Appellant's plant/ industry except under circumstances beyond the control of PED.

Both the Respondent and the Appellant signed the Joint Memorandum to the above effect and also resolved that they have agreed to close the matter with the this arrangement and filed the same before the Ombudsman. A copy of the same is attached.

Order
(on Mutually Agreeable Settlement)

Based on the above, the representation of the Appellant is disposed off with the following order:

1. The Respondent (PED) shall ensure the minimum supply of 8 MVA to the Appellant's Industry/ Plant at any point of time except under circumstances beyond its control after the commissioning of Thondamanatham 230/110 KV Sub-station on or before 31st December, 2012; and
2. The PED at the same time shall also ensure qualitative improvement in the supply of power to the Appellant's Industry.

In accordance with the Joint Memorandum filed before the Ombudsman on 06th November, 2012, the above order, in totality, is in full and final settlement of the representation and with this the file in the case before the Ombudsman, stands closed.

Sd/-
(V. K. Khanna)
Electricity Ombudsman for the State of Goa and UTs

Ref. File No. 1/21/2012- EO

Dated: 19th November, 2012

Forwarded to :

1. M/s Chemfab Alkalis Limited
'Gnanananda Place' Kalapet
Puducherry- 605 014
(Kind attention : Shri Nitin S. Cowlagi, Vice President- Finance)
2. The Superintending Engineer-I,
Electricity Department,
No. 137, NSC Bose Salai
Puducherry- 605 001.

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3. The Executive Engineer- I,
The Executive Engineer-IV
The Executive Engineer- VIII
- } Electricity Department,
No. 137, NSC Bose Salai,
Puducherry- 605 001.

Copy to:

The Chairman, CGRF
Electricity Department,
No. 4, 3rd Cross Street,
Sathya Nagar, New Saram,
Puducherry- 605 013.

Copy also to:

Secretary, JERC

BEFORE THE HON'BLE ELECTRICITY OMBUDSMAN
(Joint Electricity Regulatory Commission for the State of Goa and
Union Territory)

In
Appeal No.11/2012

CHEMFAB ALKALIS LIMITED (CAL),
PUDUCHERRY

.....Complainant

And

- 1. The Superintending Engineer –I**
- 2. The Executive Engineer –I**
- 3. The Executive Engineer –IV**
- 4. The Executive Engineer – VI**

Electricity Department, Puducherry

.....Respondent

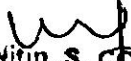
MEMORANDUM

This Memorandum is being jointly filed by Chemfab Alkalis Limited, Complainant and the Puducherry Electricity Department, Respondent in the above matter.

WHEREAS the Hon'ble Ombudsman was pleased to hear the above matter on 6th November, 2012 at 1100 hrs.

WHEREAS the Respondent – PED has agreed to ensure that the minimum supply of 8 MVA to the Complainant at any point of time except under circumstances beyond the control of the Department, after the commissioning of Thondamanatham 230/110kv Sub-station.

For Chemfab Alkalis Limited


Nitin. S. COWLAGI
Vice President (Finance)

WHEREAS the Respondent also assured that the above said Thondamanatham Sub Station would be commissioned on or before 31st December 2012 after which the power supply to the Complainant will improve qualitatively.

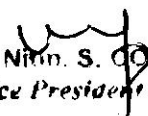
THEREFORE it has been resolved that both the parties herein have agreed to close the matter with the above arrangement.

AND THEREFORE this Joint Memorandum is being filed before the Hon'ble Ombudsman with a request to pass necessary orders and dispose off the Representation.

For M/s Chemfab Alkalis

COMPLAINANT

For Chemfab Alkalis Limited


NIRMAL S. GOWDAGI
Vice President (Finance)

Place: Puducherry

Dated : 06 Nov 12


(K. Mathivanan)

Superintending Engineer -I

RESPONDENT
SUPERINTENDING ENGINEER - I
ELECTRICITY DEPARTMENT
PUDUCHERRY.