

**BEFORE THE TAMIL NADU ELECTRICITY REGULATORY COMMISSION
CHENNAI**

Order No T.O. 1 - 89 dated 24/07/2006

Present : **Hon'ble Thiru S.Thangarathnam, Member**
 Hon'ble Thiru B.Jeyaraman, Member

**In the matter of: Tariff to the Coimbatore District Co-operative Milk
Producers Association ((AAVIN) – HTSC No. 73**

In the letter dated 6.2.2006, the MD, The Coimbatore District Cooperative Milk Producers Union Ltd. (AAVIN Coimbatore) represented the following:

- (i) Their main Dairy Unit was commissioned in April 1987 to process the milk and milk products with the main aim of helping poor Milk Producers of Coimbatore District. The HT service connected to the Dairy Unit was charged under HT Tariff III.
- (ii) The tariff to the Sholinganallur Dairy Unit at Chennai which is the unit of Tamil Nadu Cooperative Milk Producers Federation (Apex Body of all District Cooperative Milk Producers Union) was changed from HT Tariff III to HT Tariff I from 1995 and the difference in tariff credited to the HT account.
- (iii) During 2 / 99, they applied to the SE / Coimbatore EDC / North for change of tariff to their unit at Coimbatore from HT Tariff III to HT Tariff I enclosing a copy of the orders issued by the SE / CEDC / South, Chennai for change of tariff to the Sholinganallur Unit.
- (iv) During 4 / 1999, they furnished copy of Factory Licence for the Coimbatore Dairy issued by the Factories Department to the SE / North / Coimbatore.

- (v) The SE / Coimbatore EDC North requested instructions from the Headquarters (SE / IEMC) as to whether the tariff to the HT service to the Coimbatore District Cooperative Milk Producers Union may be revised from HT III to HT I and if so the month from which the revision is to be given effect to.
 - (vi) The Board in Memo No. AEE/IEMC/ EE (T)/N.14/N.141/Coop. Milk Producers Fd/2000-1 dt.27.3.2000 have informed (the SEs and CEs) that the services extended to the Cooperative Milk Producers Federation / Union and Government Dairy Farms may be classified under HT Tariff I, if they produce an industrial certificate issued by a Competent Authority (or) a Registered Factory Licence issued by the Deputy Chief Inspector of Factories.
 - (vii) They reminded the SE / Coimbatore EDC (North) in their letter dated 5.12.2003 for change of tariff.
 - (viii) When they requested the TNEB to adjust the balance instalment of Additional Security Deposit for 2004 from the arrears due to them on account of tariff revision from III to I applied for by them, TNEB informed that the tariff for their service has been changed from HT Tariff III to HT Tariff I only from 29.11.2003 and revision with retrospective effect had to be referred to Headquarters.
 - (ix) Their repeated request to effect change of tariff from 1995/ or from the date of .notification of TNEB (i.e.) 27.3.2000 have not been complied.
 - (x) As their unit is a Registered Factory and also as they had been renewing the licence from 1995 to till date, they request to order change of tariff from the date of notification.
- (2) The representation was forwarded to the TNEB.
 - (3) The TNEB in their letter dt.12.6.2006 have stated the following:

- (i) M/s. AAVIN, Coimbatore represented in their letter dated 19.2.99 for change of tariff without furnishing copy of the Factory Licence. Subsequently they had furnished with their letter dt.9.4.99, copy of Factory Licence valid upto 31.12.99.
 - (ii) As they had not represented for revision of tariff (subsequent to receipt of clarification memo dt.27.3.2000), with copies of Factory Licence for the period beyond 31.12.99 till 5.12.2003, their request for change of tariff from 27.3.2000 cannot be considered.
- (4) In this context, the Commission considered the following.
- (i) Registered Factories have been classified under HT Tariff I (Industrial) even prior to 1995 and hence the SE / Chennai EDC/ South had revised the tariff to the Sholinganallur Dairy Unit from HT Tariff III to I from the date of service connection without referring the request to headquarters.
 - (ii) However, when the AAVIN Coimbatore requested for change of tariff with copies of Factory Licence, the SE / Coimbatore EDC / North preferred to refer the matter to Headquarters for confirmation in spite of the provision in the Tariff Notification that Registered Factories are to be classified under HT Tariff I A.
 - (iii) The TNEB Headquarters have clarified in memo dt.27.3.2000 (in response to the letter of SE / Coimbatore EDC / North) that the Cooperative Milk Producers Union and Government Dairy Farms may be classified under HT Tariff I. But the SE / CBE ./ North had not acted on.
 - (iv) Renewal of Factory licence is a routine affair. If at the time of receipt of Board's letter, the copy of Factory licence available was valid upto only 31.12.99, the matter could have been referred to

M/s. AAVIN to dispose the pending request from them. The clarification is addressed to SE / CBE / N only.

- (v) The criteria for classification under HT Tariff I is that the consumer should be a Registered Factory and M/s. AAVIN have established this in 4 / 99 itself. The records show that they have been renewing the Factory licence regularly.
- (vi) The Board have also issued a general clarification in memo dt.29.2.2000 to the effect that Milk Chilling centers may be classified under HT Tariff I if they produce Industrial Certificate issued by a Competent Authority (or) a Registered Factory Licence issued by the Deputy Chief Inspector of Factories. The SE could have referred the validity of Factory licence at the time of receipt of this memo also.

(5) Registered Factories are to be classified under HT Tariff I A. M/s. AAVIN have established that they are Registered Factory by furnishing the certificate issued by the Inspector of Factories in 4 / 99 itself. However, taking into account the specific clarification in respect of SC No.73 issued by the Member (Distribution) / TNEB to the SE / Coimbatore Electricity Distribution Circle / North in Memo No. AEE/ IEMC / EE (T)/N.14/ N141/ Co.op Milk Producers Fed/2000-1 dt.27.3.2000, the Commission orders that the tariff to HTSC No.73 of M/s. AAVIN, Coimbatore be classified under HT Tariff I A from **27.3.2000.**

(By Order of the Commission)

**R. Balasubramanian
Secretary**

To

The Chairman,
Tamil Nadu Electricity Board,
Chennai 600 002.