

TAMIL NADU ELECTRICITY REGULATORY COMMISSION
Constituted under section 82 (1) of the Electricity Act 2003
(Central Act 36 of 2003)

MP NO. 39 OF 2010

PRESENT:-

Thiru.S.Kabilan

... Chairman

and

Thiru.K.Venugopal

.... Member

M/s. MRF Limited
Rep. by Mr. Venkata Subbu
General Manager – Electrical Engineering
124, Greams Road
Chennai – 600 006.

.... Petitioner
(Thiru.M.Vijayan, Advocate for Petitioner)

Vs.

The Tamil Nadu Electricity Board
Rep. by its Chairman
144, Anna Salai
Chennai – 600 002.

.... Respondent
(Thiru.Mohammed Rafi, Advocate for Respondent)

Date of hearing : 07-09-2010

Date of order : 07-09-2010

M.P. No. 39 of 2010 filed by M/s. MRF Limited came up for hearing before the Commission on **07-09-2010**. The Commission upon perusing the above petition and connected records and after hearing both sides passes the following:-

ORDER

1. **Prayer in M.P. No.39 of 2010:-**

The Prayer in M.P. No. 39 of 2010 is to -
to strike down the impugned memo CE/Commi/EE/DSM/AEE/PMM/F.Powercut/D.508/09, dated 25-11-2009 holding it as violative of the order dated 28-11-2008 made in M.P. No. 42 of 2008 and the order dated 28-10-2009 made in Suo Motu Proceedings No.1 of 2009, initiate appropriate proceedings under sections 142 and 146 of the Electricity Act and direct the Respondent to comply with the order dated 28-10-2009 made in Suo Motu Proceedings No. 1 of 2009.

2 **Facts of the case:-**

a. The Petitioner, MRF Limited, is a public limited company, incorporated under the Companies Act, 1956, a largest manufacture of tyres in India, having factories at Arakonam, Thiruvottiyur, Pondicherry, Medak & Goa. The Petitioner is aggrieved by the Circular Memo No.CE/Commi/EE/DSM/AEE/PMM/F.Powercut/D.508/09, dated 25-11-2009 issued by the Respondent in and by which they have been alleged to have tampered with the order passed by this Hon'ble Commission dated 28-10-2009 in Suo-Motu Proceedings No.1 of 2009 and thereby not implementing the order of this Hon'ble Commission and restraining the Petitioner from using captive power generated.

Hence the above M.P. No.39 of 2010 has been filed by the Petitioner.

3. **Contentions of the Petitioner:-**

- a. The formula contained in the impugned circular memo dated 25-11-2009 is clearly violative of orders of the Commission in S.M.P. No. 1 of 2009 and M.P. No.42 of 2008.
- b. The Respondent is preventing the Petitioner from utilizing the electricity generated through captive power produced by the Petitioner. The Respondent can impose restriction only on the power produced by them. In view of the impugned proceedings, the Petitioner has been constrained to generate energy through generators inside the factory premises which is very costly compared to the energy available from CPP.
- c. The Respondent has been claiming exorbitant amount for energy already consumed from December 2008 to December 2009.

4. **Findings of the Commission:-**

- 4.1. The Petitioner was heard. The Petitioner questions the clarification issued by the TNEB on 25-11-2009 which states that the energy supplied by the captive generators shall not exceed base energy. The entire scheme of the R & C measures is based on base demand and base energy. The Commission's order in Suo Motu Proceedings No.1 of 2009 also recognizes this fact. Para 16 (10) of the order states that

from 01-11-2009 the base demand and base energy may continue to be fixed with reference to the formula laid down by TNEB in their Memo dated 17-11-2008.

- 4.2. Therefore, it is clear that the scheme of base demand and base energy will continue to operate. Any consumption in excess of base demand and base energy will be construed as excess demand and excess energy charges and appropriate charges are leviable. Therefore, to argue that the captive consumer can bring in more than the base energy would be a distortion of the entire scheme of R & C measure. The petition is dismissed in limine. A copy of this order may be sent to the Chairman, TNEB.

5. **Appeal:-**

An appeal against this order lies with the Appellate Tribunal for Electrification as per Section 111 of the Electricity Act 2003 within a period of 45 days.

(Sd.....)
(K. Venugopal)
Member - I

(Sd.....)
(S.Kabilan)
Chairman

/ True Copy /

Secretary
Tamil Nadu Electricity
Regulatory Commission