



## **THE TAMIL NADU ELECTRICITY REGULATORY COMMISSION**

(Constituted under Section 82(1) of the Electricity Act, 2003)  
(Central Act 36 of 2003)

**Dated 2<sup>nd</sup> April 2008**

### **PRESENT :**

**Thiru S. Kabilan** - Chairman

**Thiru B. Jeyaraman** - Member

and

**Thiru R. Rajupandi** - Member

### **M.P.No.15 of 2007**

Hindustan Petroleum Corporation Limited,  
LPG Bottling Plant,  
Plot No.171-172,  
SIDCO Industrial Estate, Kappalur  
Madurai 625 008. .... Petitioner

Vs.

The Chairman  
Tamil Nadu Electricity Board  
Chennai - 600 002. .... Respondent

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The above petition MP No.15 of 2007 came up for final hearing before the Commission. The Commission upon perusing the above petition and counter-affidavit filed by Respondent and other connected records of the case and after hearing the Learned Counsels of both sides passes the following

**ORDER DATED 2<sup>ND</sup> APRIL 2008**

**1. Prayer of the petitioner:**

The prayer of the petitioner is to direct the Respondent to change the tariff from HT Tariff III to HT Tariff I for the petitioners HT Service Connection No.151.

**2. Facts of the case as set out in the petition:**

i) The petitioner Hindustan Petroleum Corporation Limited is a Government of India undertaking carrying on its business in refining and selling automobile oil such as petrol, diesel, kerosene and liquefied petroleum gas. The petitioner's company is registered under the Factories Act.

ii) Tariff I-A which relates to industrial tariff is automatically applicable for the petitioner's service HT Service Connection No.151 under Tariff I-A as an industrial service. But the petitioner's company is charged under commercial tariff III.

iii) The petitioner in its representation dated 30.7.2002 and on various other dates i.e. 11.6.2003, 29.7.2004, 24.8.2004, 24.12.2004 and 6.3.2005 requested for change of tariff from III to I-A for its HT supply, stating that is an industrial establishment which is engaged in refining and marketing of petroleum products throughout the country and is covered under section 2(k) of the Factories Act. Based on the representation, the Superintending Engineer revised the tariff from III to I with effect from October 2005.

iv) The petitioner submits, that now the respondent Board without any notice has suddenly changed the tariff to III i.e. commercial tariff, in the High Tension Bill for the month of September 2007.

v) Aggrieved by the above change of tariff the petitioner has filed this petition before the Commission.

### **3.Contentions of Petitioner:**

a) When the petitioner company was registered under the Factories Act it comes under tariff I-A and it cannot be by any stretch of imagination be covered under the Tariff III.

b) Due to the arbitrary change of tariff to commercial rate by the respondent Board, the petitioner a Public Sector Undertaking is constrained to pay a sum of Rs.17,40,051.00 (Rupees seventeen lakhs forty thousand and fifty one only) under protest though the petitioner is not liable to pay the commercial tariff.

### **4.Contentions of Respondent Board:**

i)The Commission in MP No.24 of 2005 filed by M/s. IOCL, Chennai (HT SC No.1699) ordered to adopt HT Industrial Tariff I-A prospectively.

ii)Based on the above order of the Commission, the respondent Board has changed the tariff for HT SC No.1699 of M/s. IOCL from HT Tariff III to HT Tariff I-A.

iii)In the Order dated 23.8.2005 passed in M.P.No.24 of 2005, the Commission held that the said order would apply only to Indane Bottling Plant and that it will not have any general application to all classes of consumers. Hence, the tariff of HT SC No. 151 of the petitioner was reverted back to HT III from the date of change to HT IA.

### **5.The point in issue:**

The point in issue is whether the prayer of the petitioner is admissible.

### **6. Findings of the Commission:**

The petitioner being a factory, registered under the Factories Act in the year 1999 is entitled to industrial tariff HT Tariff I-A. The petitioner was granted the benefit of industrial tariff HT I-A with effect from october 2005 in the letter of the Superintending Engineer, Madurai EDC in D.No.1072/2005 dated 25.10.2005 which was in order. The reversion to commercial tariff HT III from September 2007 was done by the respondent Board without observing the due process of law and also not in consonance to the HT Tariff I-A in the Tariff Order dated 15.03.2003.

### **7. Conclusion:**

The reversion to commercial tariff HT III by the respondent Board effected in September 2007 is set aside. The Respondent Board is directed to refund the excess amount paid by the petitioner from October 2005 i.e. the date on which the petitioner was given effect of Industrial Tariff HT I-A whereas, the Respondent Board collected commercial tariff from October 2005. The petitioner has to be classified under HT Tariff IA.

With the above directions, M.P.No. 15 of 2007 is finally disposed of without costs.

(Sd.....)  
**(R. RAJUPANDI)**  
**Member**

(Sd.....)  
**(B.JEYARAMAN)**  
**Member**

(Sd.....)  
**(S.KABILAN)**  
**Chairman**

**/ True Copy /**

**Secretary**  
**Tamil Nadu Electricity**  
**Regulatory Commission**