



**TELANGANA STATE ELECTRICITY REGULATORY COMMISSION**  
5<sup>th</sup> Floor, Singareni Bhavan, Red Hills, Hyderabad-500 004

**O.P.No.16 of 2016**

**Dated 16.06.2021**

**Present**

Sri T. Sriranga Rao, Chairman  
Sri M. D. Manohar Raju, Member (Technical)  
Sri Bandaru Krishnaiah, Member (Finance)

Between:

Garrison Engineer (AFA),  
Military Engineer Services,  
Dundigal, Hyderabad-500 043.

... Petitioner

AND

Nil

... Respondent

The petition came up for hearing on 12.06.2017 before the earlier Commission and stood adjourned Lt. Colonel Sourabh Dutt for the petitioner is present for the physical hearing on 12.06.2017. It is now posted for virtual hearing through video conference on 21.01.2021, 04.03.2021 and 18.03.2021. There was no representation on behalf of the petitioner 21.01.2021, 04.03.2021 and 18.03.2021. The petition having stood over for consideration to this day, the Commission passed the following:

**ORDER**

The Garrison Engineer, Air Force Academy (AFA), Military Engineer Services Dundigal, Hyderabad has filed a petition under section 62 and 64 of the Electricity Act, 2003 (Act, 2003) for determination of tariff to be supplied within its area of operation. The contentions of the petitioner are as hereunder:

- a) The petitioner is granted deemed license status by the Commission by order made in O.P.No.08 of 2015 dated 20.11.2015. In para 11 of the said order it was stated that "*at this stage, when tariff is already fixed this Commission will not be in a position to reopen the tariff at the fag end of the financial year. Any revision to the tariff can be made only during the*

next tariff revision based on the ARR of the respondent DISCOM. The petitioner can present their case before the Commission during the tariff revision process.” So, this petition is submitted.

- b) The petitioner is a subordinate organization of the Ministry of Defence entrusted with and consequently engaging in supply of electric power and meets the requirements as provided in third provision to section 14 of the Electricity Act, 2003 is an “Appropriate Government” engaging in distribution of electricity and deemed licensee as per O.P.No.8 of 2015 dated 20.11.2015.
- c) The annual energy consumption of this division is 88,95,252 units and the annual energy charges as Rs.764.75 lakh. The details of HT connections are as given below:

Sl. No.	Area/Location	Connection Number	CMD in kVA	Annual Energy Consumption kWh	Annual Energy Charges Rs.in Lakh
1)	Air Force Academy Dundigal Hyderabad	MDK-428	1850	8479932	732.91
2)	Pump House Shapur Nagar	HDN-302	150	415320	31.84
<b>Total</b>				<b>8895252</b>	<b>764.75</b>

- d) The load structure of Military Engineer Services (MES) is entirely different from the case of other normal consumers who are classified under various categories. As also the nature of duty of defence personnel compel them to move on duty for defence operations on short notices causing a sudden drop in maximum demand of power. Further, there is no profit element of commercial business in defence stations served by MES. So, separate tariff for the petitioner is fully justified.
- e) In the light of the above, it is prayed that the Commission to allow the present petition for -
- (i) Waival of Demand Charges;
  - (ii) Separate tariff category for GE (AFA), Dundigal, Hyderabad;
  - (iii) Tariff fixed on Deemed licensee basis;

2. The predecessor Commission had heard the representative of the petitioner, but adjourned the matter. The present Commission undertook hearing and issued notice for appearance of the petitioner. Though notice has been served twice, but no representation came forth on 1<sup>st</sup> occasion. However, on the other two occasion they were unable connect to the virtual hearing. The record proceedings on all the days of hearing is reproduced below.

Record of proceeding 12.06.2017 [before the predecessor Commission]

*"...The representative stated that the Commission had earlier directed paper publication of the application, but it was not done in the last year and the same is being carried out now.*

*The Commission observed that in the matter of determination of tariff time period is specified in the Act, 2003 and accordingly, the earlier petition cannot be proceeded with. However, the Commission directed the office to assist the petitioner in proceeding further in the matter and take the steps that are required to be taken to bring the petition in line with the Act, 2003. ...."*

Record of proceedings dated 21.01.2021

*"... As there is no representation on behalf of the petitioner, specific notice may be issued to the petitioner informing that the matter stands posted to 04.03.2021. ..."*

Record of proceeding dated 04.03.2021

*"... Though the link was available to the petitioner, the representative of the petitioner is not able to make his appearance in the matter through video conference. Since the matter is not represented by the petitioner, the matter will be decided by the Commission. In view of the inability of the representative of the petitioner, the matter is finally adjourned."*

Record of proceeding dated 18.03.2021

*"There is no representation on behalf of the petitioner. Accordingly, the matter is reserved for orders."*

3. The Commission noticed that the proposed prayer is not specifically related to the determination tariff to be affected by the petitioner as a deemed licensee. The relief sought herein indirectly convey that its procurement and exemption aspects and are contrary to the requirement of tariff structure that it would levy as licensee on its consumers, whom it may cater as deemed licensee within its area of supply. That apart, it being a deemed licensee, ought to have prepared and filed the tariff proposals in terms of its aggregate revenue requirement for under undertaking supply by it.

4. The proposal filed is with respect to their expenditure and certain concessions required from the existing licensee which is supplying power by treating it as any other consumer. Furthermore, this petition is filed in the year 2016 and it has not been pursued properly. Whereas as a deemed licensee, it should have complied with the

Regulation No.4 of 2005 relating to retail supply tariff and to file ARR and Tariff proposals as stated supra every year. Nothing that sort has happened in this case.

5. Having regard to the facts and circumstances of the case, the Commission is of the view that relief sought for cannot be considered at this belated stage, more so in the teeth of the fact that way back in the year 2017 itself. Non-performance of the deemed licensee, towards complying with the regulations and conditions of the license, would not enthuse this Commission to consider the prayer of the petitioner.

6. Owing to the observations and facts and circumstance recorded above, the petition fails and accordingly the same is refused.

7. Before parting with the matter, the Commission would like to remind the fact that the petitioner is a deemed licensee granted by this Commission. It therefore expects that he said licensee hence forth would function according to the provisions of the Act, 2003 and rules along with regulations thereof.

***This order is corrected and signed on this the 16<sup>th</sup> day of June, 2021.***

<b>Sd/-</b> (BANDARU KRISHNAIAH) MEMBER	<b>Sd/-</b> (M.D.MANO HAR RAJU) MEMBER	<b>Sd/-</b> (T.SRIRANGA RAO) CHAIRMAN
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