

**BEFORE THE KARNATAKA ELECTRICITY REGULATORY COMMISSION,
BENGALURU**

Dated : 20th March, 2018

Present:

Shri M.K. Shankaralinge Gowda	..	Chairman
Shri H.D. Arun Kumar	..	Member
Shri D.B. Manival Raju	..	Member

OP No.95/2017

BETWEEN:

Shilpa Medicare Limited,
No.12-6-214/A1,
Hyderabad Road,
Raichur – 584 135
Karnataka India

.. **PETITIONER**

[Represented by Keystone Partners, Advocates & Solicitors]

AND:

1) Hubli Electricity Supply Company Limited,
P.B. Road, Navanagar,
Hubballi – 580 025.

2) Gulbarga Electricity Supply Company Limited,
Station Road,
Kalaburagi – 585 101.

.. **RESPONDENTS**

*[Respondent-1 is represented by Justlaw, Advocates,
Respondent-2 is represented by M. Raghavendrachar & Associates, Advocates]*

ORDERS

- 1) The Petitioner in the above Petition has prayed for the following reliefs:
 - (a) Quash and set aside the letter dated 26.04.2017, issued by the HESCOM, i.e., Respondent No.1, produced as Annexure-G to the Petition;
 - (b) Quash and set aside the letter dated 29.05.2017, issued by the HESCOM, i.e., Respondent No.1, produced as Annexure-H to the Petition;
 - (c) Pass any other Order/s, in the interest of justice and equity.

- 2) In essence, the present Petition involves the correct interpretation of "Exclusive Consumer" and "Non-Exclusive Consumer", defined in the Wheeling and Banking Agreement (W&BA) dated 13.10.2014 executed between the Petitioner on the one hand and the Respondents and the Karnataka Power Transmission Corporation Limited (KPTCL) on the other for the purpose of settlement of accounts between the parties in respect of the energy wheeled and consumed.

- 3) The material facts relevant for the purpose of disposal of the present Petition may be stated as follows:
 - (a) The Petitioner, a Company registered under the Companies Act, 1956 has established a 3.2 Mega Watt (MW) capacity Wind Power Project, which was

commissioned on 07.05.2014. The Petitioner had requested for wheeling of electricity from the Sub-Station, located at Harthi Village, Gadag Taluk, situated within the jurisdiction of the 1st Respondent-Hubli Electricity Supply Company Limited (HESCOM) to the captive consumption premises of the Petitioner, bearing R.R.Nos.HTR-47, HTR-64 and HTRR-03, which are located within the jurisdiction of the 2nd Respondent-Gulbarga Electricity Supply Company Limited (GESCOM).

- (b) The W&BA came to be executed on 13.10.2014. The Petitioner had filed OP No.10/2015 against the present Respondents, the KPTCL and the State Load Despatch Centre (SLDC), to treat the energy injected into the Grid by the Wind Power Project of the Petitioner, from the date of commissioning (07.05.2014) to the date of execution of the W&BA (13.10.2014) as 'banked energy' and to quash certain demands made by the Respondents. After contest, by Order dated 10.03.2016, this Commission passed the following Order:

“(i) The second Respondent (HESCOM) and the third Respondent (GESCOM) should take into account the quantum of energy injected at the injection point of the Project and the energy drawn at the captive consumption points of the Petitioner, for the period from 13.6.2014 to 31.3.2015, and raise the monthly energy bills in terms of the Wheeling and Banking Agreement dated 13.10.2014, as if the wheeling has taken place from 13.6.2014, and refund the excess amount collected, if any, to the Petitioner, within 2 (months) from the date of this Order, and recover the shortfall, if any, from the Petitioner; and,

- (ii) *The Petitioner is not entitled to any other reliefs claimed in the Petition."*
- (c) The grievance of the Petitioner is that, the Respondents have not carried out the directions issued in OP No.10/2015 for settlement of the accounts.
- (d) The Petitioner has contended that, it has a contract demand with the 2nd Respondent (GESCOM) in respect of all its Captive Consumption Points and it had been consuming electricity from the State Grid, and even after execution of the W&BA, it has been consuming electricity wheeled from its Captive Wind Power Project, and also from the State Grid, for any additional requirement. Therefore, the Petitioner has contended that it would fall under the definition of 'Non-Exclusive Consumer', as defined in the W&BA.
- (e) The 1st Respondent (HESCOM) has filed its objections contending that, for certain months, the Petitioner had not consumed any energy from the 2nd Respondent (GESCOM) and for such months the Petitioner was treated as an 'Exclusive Consumer' and sought recovery of twice the charges applicable for the over-drawal of power from the State Grid, beyond that wheeled under the W&BA. Therefore, the 1st Respondent (HESCOM) has contended that the Bill dated 26.04.2017 (ANNEXURE-G) is valid and the 1st Respondent (HESCOM) had claimed interest on the said arrears, as per the letter dated 29.05.2017 (ANNEXURE-H), which is also proper. According

to the 1st Respondent (HESCOM), the interpretation of 'Exclusive Consumer' and 'Non-Exclusive Consumer', as suggested by the Petitioner, is incorrect. Therefore, the 1st Respondent (HESCOM) has prayed for dismissal of the Petition.

- (f) For the months of January, 2015, February, 2015 and March, 2017, the Petitioner (Captive Generator) requested the 1st Respondent (HESCOM) to wheel certain quantities of power to its Captive Consumption Points as per 'C' Forms. The 1st Respondent (HESCOM) issued an Official Memorandum approving the proposed quantities of power, for these months, for wheeling. However, during these months, the Petitioner (Captive Generator) could not inject the respective quantities of power, which it had requested to wheel for these months. The 2nd Respondent (GESCOM) had allowed the Captive Consumers to draw power to the extent of the approved quantity of wheeled energy. The 1st Respondent (HESCOM) issued bills to the Petitioner under Clause 5.4 of the W&BA, imposing twice the charges applicable to the relevant category of Consumers, for the shortfall of the energy injected during these months against the proposed quantum of power requested for wheeling under the 'C' Forms.
- 4) The 2nd Respondent (GESCOM) has filed its objections denying the averments made by the Petitioner in the Petition.

- 5) We have heard the learned counsel for the parties. The Petitioner has also filed its written arguments.
- 6) The following Issues would arise for our consideration:
- (1) What is the meaning of 'Exclusive Consumer' and 'Non-Exclusive Consumer', as defined in the W&BA dated 13.10.2014?
 - (2) What should have been the appropriate further steps that should have been complied with by the Respondents, in pursuance of the directions given by this Commission in its Order dated 10.03.2016 in OP No.10/2015?
 - (3) What Order?
- 7) After considering the oral submissions of the parties and the material placed on record, our findings on the above issues are as follows:
- 8) **ISSUE No.(1):** *What is the meaning of 'Exclusive Consumer' and 'Non-Exclusive Consumer', as defined in the W&BA dated 13.10.2014?*
- (a) Clauses 1.1(i) and 1.1(s) of the W&BA define the 'Exclusive Consumer' and the 'Non-Exclusive Consumer' thus:

“'Exclusive Consumer' means a consumer identified by the Company for wheeling power, who receives the entire quantum of his imported power requirement from the Company through the Transmission / Distribution Network of the Corporation / ESCOMs.”

*“**Non-Exclusive Consumer**’ means a consumer who purchases / consumes power from both ESCOM and the Company.”*

Clause 5.4 of the W&BA reads thus:

“The ESCOM shall recover from the Exclusive Consumer, twice the charges applicable to the relevant category for the over drawal of power from the grid beyond that contracted under wheeling with the Company.”

The said Clause 5.4 of the W&BA should read as follows, after the Clarificatory Order dated 21.11.2014 issued by this Commission amending Clause 5.4 of the Standard W&BA:

“The ESCOM shall recover from the Exclusive Consumer:

- a) twice the demand charges as applicable to the relevant category of consumers as determined by the Commission from time to time, for overdrawal of demand [kW/MW] beyond the quantum of power contracted under the wheeling agreement; and*
- b) twice the energy charges as applicable to the relevant category of consumers for overdrawal of energy from the grid beyond the net injected energy by the Company [injected energy less the wheeling and banking charges in kind].”*

- (b) The 1st Respondent (HESCOM) has contended that, a combined reading of the provisions of the W&BA, extracted above, would indicate that this Respondent is empowered to levy penalty on ‘Exclusive Consumer’ for the

over-drawal of energy in a month. It has further contended that, in the event an Open Access consumer is supplied with power during a billing period, by an ESCOM, in addition to utilizing the energy generated and wheeled, such consumer would be considered as a 'Non-Exclusive Consumer' and on the other hand, if an Open Access consumer has not consumed any energy during a billing period, supplied by an ESCOM concerned and who receives the entire quantum of its power requirement from the wheeled power of a generator, such consumer is an 'Exclusive Consumer'. The 1st Respondent (HESCOM) has further contended that, in the present case the dispute relates to over-drawal of energy by the Petitioner during the months of January, 2015, February 2015 and March, 2017, beyond that contracted under 'C' Forms for wheeling. According to the 1st Respondent (HESCOM), the determination as to whether a consumer is an 'Exclusive Consumer' or a 'Non-Exclusive Consumer', is to be done on a monthly basis.

- (c) The Petitioner has contended that, the interpretation put forth by the 1st Respondent (HESCOM) is an entirely incorrect interpretation of the W&BA and it is also in conflict with the findings already given by this Commission on Issue No.(5) in its Order dated 10.03.2016 in OP No.10/2015.
- (d) On consideration of the rival contentions, along with the definitions and the terms and conditions of the W&BA, the Commission is of the view that, the

interpretation placed by the 1st Respondent (HESCOM) cannot be accepted for the following reasons:

- (i) In the present case, the Petitioner is a Captive Generator and it is consuming the energy generated by it at three different Captive Consumption Points, as noted earlier. Therefore, the Petitioner is to be understood as a Generator at the Injection Point and as a Captive Consumer at the Drawal Points. This dual capacity of the Petitioner is to be kept in mind, before ascertaining the meaning of 'Exclusive Consumer' and 'Non-Exclusive Consumer'. The said definitions would make it clear that these definitions would refer to a person who consumes electricity at the Drawal Point and they do not refer to a Generator who injects energy into the Grid for the purpose of wheeling. Therefore, the Petitioner in the capacity of a Generator cannot be treated as either an 'Exclusive Consumer' or a 'Non-Exclusive Consumer'. In other words, the Petitioner in the capacity of a Captive Consumer can be either an 'Exclusive Consumer' or a 'Non-Exclusive Consumer'. In the present case, the Injection Point of the Captive Generating Plant is within the jurisdiction of the 1st Respondent (HESCOM). Therefore, the 1st Respondent (HESCOM) cannot treat the Captive Generator as an 'Exclusive Consumer' or a 'Non-Exclusive Consumer'. The 1st Respondent (HESCOM) has imposed penalty against the Petitioner in its capacity as a 'Captive

Generator', for the assumed over-drawal of power from the Grid beyond that actually injected under wheeling.

- (ii) The definition of 'Exclusive Consumer' makes it clear that, a consumer who receives the entire quantum of his imported power requirement from the Generator is an 'Exclusive Consumer'. The definition of 'Non-Exclusive Consumer' states that, a consumer who purchases / consumes power from both the ESCOM and the Generator, is a 'Non-Exclusive Consumer'. While dealing with Issue No.(5) in the Order dated 10.03.2016 in OP No.10/2015, this Commission has observed that, an 'Exclusive Consumer' is a consumer who has no contract demand with the ESCOM and who avails of power only through the Open Access, and that a 'Non-Exclusive Consumer' is a consumer who has a contract demand with the ESCOM and also avails of power through the Open Access. In the present case, the Petitioner, in the capacity of a Captive Consumer, is admittedly having different contract demands with the 2nd Respondent (GESCOM), in all the three Captive Consumption Points, even before and after availing of the Open Access. Therefore, for the over-drawal of energy from the Grid, beyond that wheeled under W&BA by the Petitioner as a captive Consumer, it cannot be charged twice the charges applicable to

the relevant category of that consumer, as provided under Clause 5.4 of the W&BA.

- (iii) Now, it is a settled principle that, there is no provision restricting a 'Non-Exclusive Consumer' (who has a contract demand with a Distribution Licensee) from availing of a part of his demand on Open Access, without forfeiting his contract demand with the Distribution Licensee. A 'Non-Exclusive Consumer' may become an 'Exclusive Consumer', relinquishing the contract demand with the Distribution Licensee. The obligation to supply energy to a 'Non-Exclusive Consumer', to the extent of its contract demand, arises out of the universal obligation imposed on the Distribution Licensee under the Electricity Act, 2003. However, there is no such obligation to compulsorily supply power to an 'Exclusive Consumer'. For this reason, the National Tariff Policy casts a duty upon the Distribution Licensee to make a standby arrangement, in the event of outages of the generators supplying to an 'Exclusive Consumer' or in the case of failure of the contracted supply under a W&BA. For this reason, the energy supplied by the Distribution Licensee to an 'Exclusive Consumer' is charged at twice the rate applicable to that category of consumers. Such supply to an 'Exclusive Consumer' is generally known as 'back-up supply'. Primarily, the 'Exclusive Consumer' is liable to pay the said amount to the Distribution Licensee. As the

'Exclusive Consumer' is not made a party to the W&BA, a provision is made to collect the said amount from the Generator, in case that amount is not recovered from the 'Exclusive Consumer'.

- (iv) The Petitioner as a Captive Generator cannot be treated as an 'Exclusive Consumer' or a 'Non-Exclusive Consumer', as there is no supply of power for consumption of the Generator.
- (e) Therefore, on Issue No.(1), we hold that the interpretation of 'Exclusive Consumer', placed by the 1st Respondent (HESCOM), is not acceptable.
- 9) **ISSUE No.(2):** *What should have been the appropriate further steps that should have been complied with by the Respondents, in pursuance of the directions given by this Commission in its Order dated 10.03.2016 in OP No.10/2015?*
- (a) The terms contained in the W&BA, dated 13.10.2014, do not contemplate issuance of any 'C' Form, in advance, proposing the quantum of energy to be wheeled for the month. The definition of 'Banking', contained in the W&BA dated 13.10.2014 makes the above fact very clear. The said definition of 'Banking' reads thus:

*“**Banking**’ means the facility by which electrical energy remaining unutilized by the ‘Exclusive’ or ‘Non-Exclusive’ Consumer or ‘Captive Consumer’ out of the energy injected by the Company into the transmission and/or distribution system of Corporation/ESCOM/s, which is allowed to be utilized for wheeling to ‘Exclusive’ or ‘Non-Exclusive’*

Consumers of the Company or Captive Consumer for later use, as per the terms and conditions set forth in this agreement."

- (b) Where wheeling of the energy is allowed, the generator is permitted to use the network of the utility for conveyance of the electricity generated by it to any Open Access consumer on payment of certain charges to the utility. Therefore, it is nothing but the generator transmitting the energy generated by it to its consumer on payment of certain charges to utility for making use of its network. Here, the utility does not sell any energy to the Open Access consumer upto the extent of the injected energy and it collects only the Open Access charges and taxes, etc., as per law. On the other hand, in the case of supply of the energy by a Distribution Licensee to its consumer, the energy purchased by it, is supplied to its consumer by charging the approved tariff. Where the Injection Point and the Drawal Point are in different ESCOMs' jurisdictions in a Wheeling and Banking transaction, necessary adjustment entries are to be made during the energy balancing by the Nodal Agency. The W&BA also provides for dealing with different situations where the energy consumption by a consumer is less or more than the energy injected for adjusting the rights and liabilities of the parties. Banking of energy would arise to the extent of the energy remaining unutilized by the Open Access consumer out of the injected energy by the Generator in a Billing Month. Any banked energy at the end of a month is deemed to have been purchased by the ESCOM where the energy is

injected. When there is a direction to treat the energy supplied to a HT consumer as 'wheeled energy', treating the transaction as 'Wheeling and Banking', the energy supplied to the said consumer would not amount to supply of energy by the Distribution Licensee. The consumption of the HT consumer would amount to consuming the energy that was wheeled by the generator to the Consumption Point. Therefore, when there is a direction to treat the consumption of a HT consumers for the period from 13.06.2014 to 31.03.2015, as if the wheeling had taken place from 13.06.2014, necessary adjustment entries are to be made. In case, the injection of energy by the Captive Generator and the consumption of energy by the Captive Consumers, from 13.06.2014 till the end of June, 2014 is not specifically available, the total quantum of energy injected and the total quantum of the energy consumed, for the entire month of June, 2014 may be considered for apportionment, on a *pro-rata* basis, to calculate the injection of energy and consumption of energy for that period of the month.

- (c) The W&BA, entered into between the parties, provides for payment of 85% of the latest generic tariff, applicable to the relevant category of RE power, to the generator by the ESCOM in whose jurisdiction the power is injected by the generator, for the banked energy remaining unutilized at the end of a year (Article 5.7 of the W&BA). The effect of this provision is that, the ESCOM concerned is deemed to have purchased the unutilized banked

energy at the end of a year. Therefore, while doing the energy balancing exercise, this purchase of energy, by the ESCOM concerned, should also be taken into account. In the present case, the Injection Point was within the jurisdiction of the 1st Respondent (HESCOM) and, therefore, the banked energy, which remained unutilized as at the end of 31.03.2015, should be considered as having been purchased by the 1st Respondent (HESCOM) for FY14.

- (d) Article 6.1.1 of the W&BA provides for submitting a list of consumers to whom it proposes to wheel the energy, indicating the quantum of power to be wheeled to such consumers, at least 15 days prior to the commencement of wheeling. The submission of the list contemplated is for one time before the commencement of the wheeling but not on a month-on-month basis, indicating the quantum of energy intended to be supplied to the consumer. The 'C' Form, which is said to be in vogue in the Wheeling and Banking transactions as per the internal guidelines of the ESCOMs, is not contemplated under the W&BA. The procedure of issuing a 'C' Form, indicating the quantum of energy to be wheeled in the following month by the generator, cannot create a new right or liability between the parties, contrary to or inconsistent with the rights and liabilities that would arise from the terms of the W&BA dated 13.10.2014.

- (e) It is now learnt that, for the purpose of accounting the wheeling and banking transactions and for adjusting the rights and liabilities of the parties, the majority of the ESCOMs in the State are following the procedure detailed below:
- (i) The Generator has to issue, in advance, a 'C' Form to the ESCOM where the energy is injected, indicating the quantum of energy proposed to be wheeled in that month to an Open Access consumer. The proposed quantum of energy to be wheeled could be varied till the last week of the month concerned in which the 'C' Form is issued.
 - (ii) The ESCOM, to whom the 'C' Form is submitted, would issue an Official Memorandum (OM) according approval to wheel the quantum of energy finally proposed in the 'C' Form to the Consumption Point(s) of the Open Access consumer(s). The effect of issuing the OM is that, the proposed quantum of energy stated in the 'C' Form is deemed to have been wheeled to the Consumption Point(s) of the Open Access consumer.
 - (iii) The injected energy is calculated, deducting the imported energy and the line loss on it, out of the exported energy, as recorded in the ABT Meter. The energy available for wheeling is calculated,

deducting the applicable wheeling and banking charges, in kind, out of the injected energy.

- (iv) If the Generator injects less than the quantum of energy stated in the 'C' Form, the Generator is billed at twice the rate for the shortfall in injection, relying on Clause 5.4 of the W&BA. If the Generator injects more than the quantum of energy indicated in the said 'C' Form, the excess energy is treated as the 'banked energy'. While calculating the shortfall in injection of power, the credit of the 'banked energy', if any, is taken into consideration.
- (v) In case, the Open Access consumer consumes more than the quantum of wheeled energy shown in the 'C' Form, the consumer is billed for the excess energy, as per the tariff applicable to that category of consumer.
- (vi) In case, the Open Access consumer consumes less than the quantum of wheeled energy shown in the 'C' Form, the unutilized energy is treated as lapsed without any compensation.

The above procedure, said to be followed by the majority of the ESCOMs, would clearly amount to imposing of different rights and liabilities than those stated in the W&BA.

(f) The above procedure adopted by the ESCOMs would show that, the quantum of energy indicated in the 'C' Form is taken as 'wheeled' from the 'Injection Point' ESCOM to the 'Drawal Point' ESCOM and the 'Drawal Point' ESCOM allows the Open Access Consumer to draw the quantum of energy indicated in the 'C' Form, without imposing any energy charge. If such a procedure is to be followed by the ESCOMs, for any reason, the rights and liabilities of the parties under the W&BA could have been substantially adjusted in the following manner:

(i) If the Generator injects less than the quantum of energy indicated in the 'C' Form, the Generator is to be billed for the shortfall by enhancing it with the wheeling and banking charges, in kind, at the rate of the retail tariff that would have been payable by that category of the Open Access Consumer. That is so, because the quantum of energy indicated in the 'C' Form is taken as 'wheeled' to the 'Drawal Point' ESCOM and the 'Drawal Point' ESCOM allows the Open Access Consumer to draw the energy upto the quantum of energy wheeled, as indicated in the 'C' Form, without there being any energy charge. The Generator cannot be billed at twice the rate, relying on Clause 5.4 of the W&BA, as the Generator cannot be treated as an 'Exclusive Consumer' or a 'Non-Exclusive Consumer'.

- (ii) In case, the Open Access Consumer draws less than the quantum of energy indicated in the 'C' Form, the unutilized wheeled energy should be taken to the credit of consumption during the subsequent month. The forfeiture of the unutilized energy is not contemplated under the W&BA.
 - (iii) Considering the above steps to be adopted, proper entries should be made while doing the exercise of energy balancing.
- (g) The procedure that could have been followed, as stated above, in case the 'C' Form is taken, appears to be cumbersome. Therefore, the Commission suggests the following procedure, which appears to be simpler and in accordance with the terms of the W&BA, for adjustment of the rights and liabilities of the parties under a W&BA:
 - (i) The particulars of the quantum of energy injected by a Generator and the quantum of energy drawn by an Open Access consumer, during a billing period, are admittedly available with the ESCOM concerned, on the Metering Date. Therefore, the net energy available for wheeling could be ascertained after deducting the wheeling and banking charges.

- (ii) The 'Drawal Point' ESCOM concerned has to inform the quantum of energy, consumed by the Open Access consumer, to the 'Injection Point' ESCOM.
- (iii) The 'Injection Point' ESCOM shall, in turn, inform the quantum of energy that could be wheeled to the Consumption Point.
- (iv) If the net energy injected by the Generator is more than the total quantum of energy consumed by the Open Access consumer, the entire consumption of such Open Access consumer should be treated as 'wheeled energy'. The balance quantum of energy remaining, after wheeling, has to be treated as 'banked energy'.
- (v) If the net energy injected by the Generator plus the banked energy, if any, is less than the total consumption of energy of the Open Access consumer, the excess energy consumed is to be billed as per the tariff applicable to the said 'Non-Exclusive Consumer' or the 'Exclusive Consumer', as the case may be, and such excess energy consumed is deemed to be supplied by the 'Consumption Point' ESCOM.
- (vi) The quantum of unutilized banked energy at the end of the year, deemed to have been purchased by the ESCOM where the energy is injected, shall be credited to the account of the 'Injection Point' ESCOM at the time of energy balancing.

- (vii) The required entries shall be made at the time of the energy balancing, to reflect the net quantity of energy injected and wheeled.
- (h) For the reasons stated above, it is clear that, the energy bills raised by the 1st Respondent (HESCOM) against the Petitioner (Captive Generator), for the months of January, 2015, February, 2015 and March, 2017 are incorrect. The W&BA was executed by the parties on 13.10.2014. The direction given by this Commission, in its Order dated 10.03.2016 in OP No.10/2015, states that, the HESCOM and the GESCOM should take into account the quantum of energy injected at the Injection Point and the energy drawn at the Captive Consumption Points of the Petitioner, for the period from 13.06.2014 to 31.03.2015 and raise the Monthly Energy Bills in terms of the W&BA, as if the wheeling had taken place from 13.06.2014 and adjust their rights and liabilities, accordingly. Apparently, the 'C' Form could not have been submitted by the Captive Generator to the 1st Respondent (HESCOM) for the months, from June, 2014 to September, 2014. Therefore, during the entire period, from 13.06.2014 to 31.03.2015, the energy accounting is to be re-done by the Respondents (HESCOM and GESCOM), in order to ascertain the 'banked energy' that might have remained unutilized at the end of March, 2015 or the excess energy consumed, and make necessary adjustments towards the consumption bills issued to the Captive Consumers

for these months and make payment for the unutilized 'banked energy', if any, at the end of March, 2015.

(j) For the above reasons, we answer Issue No.(2), accordingly.

10) **ISSUE No.(3):** *What Order?*

(a) The bill for the month of March, 2017, issued by the 1st Respondent (HESCOM), is to be re-done, in view of our observations in the above paragraphs.

(b) The SLDC has to maintain the Energy Account and the Energy Balancing of the ESCOMS. Hence, the SLDC may be asked to suggest guidelines for raising Bills in the wheeling and banking transactions, covering different situations, in consultation with all the ESCOMS.

(c) As per the Interim Order passed in this case, the Petitioner was allowed to wheel the energy after depositing a sum of `45,00,000/- (Rupees Forty Five Lakhs) only with the 1st Respondent (HESCOM), as against the demands made in ANNEXURES – G and H. It is now found that the said demands are improper. While re-doing the bills relating to the energy account of the Petitioner, the said amount deposited is to be considered.

(d) For the foregoing reasons, we pass the following:

ORDER

- (1) The impugned Demand Notices dated 26.04.2017 (ANNEXURE - G) and 29.05.2017 (ANNEXURE - H), issued by the 1st Respondent (HESCOM), are hereby set-aside;
- (2) The Respondents (HESCOM and GESCOM) shall re-do the Monthly Energy Bills, from 13.06.2014 to 31.03.2015, in terms of the W&BA dated 13.10.2014, as if the wheeling had taken place from 13.06.2014, taking into account the quantum of energy injected at the Injection Point of the Captive Plant and the quantum of energy drawn at the Captive Consumption Points of the Petitioner, for the purpose of adjustment of the rights and liabilities of the parties to the W&BA, in accordance with the Commission's observations at Paragraph-9(g) above. Thereupon, the Respondents (HESCOM and GESCOM) shall issue fresh demands, in case the Petitioner is found to be due in any amount to any of them and shall pay any amount, found due, to the Petitioner, within 04 (four) weeks from the date of this Order. While adjusting the rights and liabilities of the Petitioner, the amount of Rs.45,00,000/- (Rupees Forty Five Lakhs) only deposited, if any, shall also be taken into consideration;
- (3) The 1st Respondent (HESCOM) shall re-do the bill dated 26.04.2017 issued to the Petitioner (Captive Generator), taking into account the shortfall of energy injected, as against the quantum of energy indicated in the 'C' Form that was proposed to be wheeled during

the month of March, 2017, as per the Commission's observations at Paragraph-9(f) above, and raise fresh demand, accordingly;

- (4) The letter dated 29.05.2017, issued by the 1st Respondent (HESCOM) (marked as ANNEURE-H in the Petition) demanding interest, does not survive; and,
- (5) The Petitioner is not entitled for any other reliefs, as prayed for in its Petition, in this regard.
- (6) The SLDC is directed to suggest suitable guidelines for preparing Bills in the wheeling and banking transactions, covering different situations, for approval of this Commission, within 6 (six) weeks from the date of this Order.

Sd/-
(M.K. SHANKARALINGE GOWDA)
CHAIRMAN

Sd/-
(H.D. ARUN KUMAR)
MEMBER

Sd/-
(D.B. MANIVAL RAJU)
MEMBER