

STATE ELECTRICITY OMBUDSMAN

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REPRESENTATION No: P 66/09

Appellant : M/s Vayalat Exports
Plot No 18 Chemical Industrial Estate
ARoor – Cherthala-6
(Regd Office : Binny Road PALLURUTHY –KOCHI 6)

Respondent: Kerala State Electricity Board
Represented by
The Assistant Executive Engineer
Electrical Sub Division
POOCHAKKAL - ALAPPUZHA

ORDER

M/s Vayalat Exports , Plot No 18, Chemical Industrial Estate, AROOR – Cherthala-6 submitted a representation on 30.3.2009 seeking the following relief :

Set aside the order No: CGRF-CR/Comp.55/08-09 dated 24.12.2008 of CGRF Ernakulam

Direct that the complainant may be continued to be charged under LT IV Industrial tariff

Counter statements of the Respondent was obtained and hearing of both the parties conducted on 4.8.2009.

The Appellant has an LT electric connection under Electrical Section Aroor with consumer number 18161 which is the cold storage division of the firm Vayalat Exports engaged in sea food processing and exports. The sea food processing is conducted at Thoppumpady Section with consumer number 7890 .

The respondents classified the cold storage connection number 18161 under LT VII A tariff .The CGRF upheld the action of the respondent.

The representation with the pleas noted above is submitted to the under signed in the above back ground.

The contentions/arguments/points raised by the Appellant in the representation and during the hearing are summarized below:

The Appellant is not carrying out any commercial cold storage activity or business in the premises of Cons:no: 18161. They are storing there the processed sea food in their own Sea Food Processing Unit as a part of the processing activity. The processing activity and freezing and cold storage activity can not be segregated. The cold storage does not have any independent existence. The Appellant do not have enough storage facilities in their unit under Thoppumpady section and hence the storage of the processed items is done at Aroor cold storage. Hence the Appellant is eligible for industrial tariff for the cold storage also.

The contentions/arguments/points raised by the Respondent in the counterstatement and during the hearing are summarized below:

The petitioner has one electrical connections under Aroor section and power is used for cold storage in this unit. The service connection number 18161 at Aroor is used exclusively for freezing and cold storage activity .The power is used for preserving the commercial value for export and sale. The Sea Food Processing Unit is under Thoppumpady section.

The KSERC has clarified that if separate connection is taken for cold storage /freezing it shall be billed under LT VII A commercial tariff.

Discussion and Findings:

The Kerala State Electricity Regulatory Commission in their Order dated August 29, 2008 disposing a batch of Petitions like DP39/2008 had directed that the Sea Food Processing Units in LT shall be billed under LT IV industrial category and that the LT consumers engaged in the freezing and cold storage activity shall be billed under LT VII A Commercial . In the Order dated April 23, 2009 on the Clarification Petitions on the matter the Commission had further clarified that if separate connection is taken for the purpose of cold storage/freezing plant it shall be deemed to be billed under LT VII A commercial. The Commission had also observed that ‘the argument of the Petitioners that the activity of processing and storing being part of an integrated activity it can not be differentiated and categorized separately can not hold good if separate connections are taken for each activity’ .

In the instant case the Appellant has taken independent and separate connections for the activities namely sea food processing and cold storage

The Appellant has no case that the activities are integrated under one connection.

As such the tariff to be applied for the connection having the activities of freezing & cold storage shall be LT VII A Commercial as specifically clarified by the KSERC.

The respondents shall be free to apply the tariff accordingly and realize the arrears outstanding if any.

But as a relief to the consumers to mitigate the effect of tariff shock the respondents are directed to allow installments for the payment pf arrears and interest liberally, provided they pay the regular monthly charges under the LT VII A tariff regularly.

Orders:

Under the circum stances explained above and after carefully examining all the evidences, arguments and points furnished by the Appellant and Respondent on the matter, the representation is disposed off with the following orders:

1. *The representation submitted by the Appellant is devoid of merits and hence dismissed.*
2. *No order on costs.*

Dated this the 5th day of August 2009 ,

P.PARAMESWARAN
Electricity Ombudsman

No P 66/09 / 315/ dated 11.08.2009

Forwarded to: 1. M/s Vayalat Exports
Plot No 18 Chemical Industrial Estate
ARoor – Cherthala-6

2. The Assistant Executive Engineer
Electrical Sub Division
POOCHAKKAL - ALAPPUZHA

Copy to :

1. The Secretary,
Kerala State Electricity Regulatory Commission
KPFC Bhavanam, Vellayambalam,
Thiruvananthapuram 695010
2. The Secretary ,KSE Board,
Vaidyuthi Bhavanam ,Thiruvananthapuram 695004
3. The Chairman , CGRF,KSE Board ,
PowerHouse Buildings , ERNAKULAM

