

**Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005
Tel. 022 22163964/65/69 Fax 22163976
Email: mercindia@merc.gov.in
Website: www.mercindia.org.in / www.merc.gov.in**

Case No. 36 of 2017

Date: 23 May, 2017

**CORAM: Shri. Azeez M. Khan, Member
Shri. Deepak Lad, Member**

Petition of M/s Classic Citi Investments Pvt. Ltd for challenging the validity of Circular dated 31.12.2016 by Maharashtra State Electricity Distribution Co. Ltd and the consequent bills and the wrongful rejection of application for Medium-Term Open Access.

M/s Classic Citi Investment Pvt. Ltd ...Petitioner

V/s.

Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) ...Respondent

Appearance:

For the Petitioner : Shri N. M. Kumar (Rep)

For the Respondent : Shri N.M. Choudhary (Rep)

Authorised Consumer Representatives : Dr. Ashok Pendse, TBIA

Daily Order

Heard the Representatives of the Petitioner, Respondent and the Authorised Consumer Representative.

1. Representative of Petitioner stated that:
 - (i) It has raised two issues in the Petition
 - (a) Denial of Short Term Open Access (STOA) / Medium Term Open Access (MTOA) on frivolous grounds, and
 - (b) Wrongful levy of Wheeling and Transmission Charges

- (ii) On 1 September, 2016, the Petitioner applied for MTOA for the period from December 2016 to March 2017 which MSEDCL rejected on 10 January, 2017, stating that the Petitioner has not applied in the new formats prescribed under the Distribution Open Access (DOA) Regulations, 2016 and may apply afresh.
 - (iii) From December, 2016 onwards, MSEDCL has levied the Wheeling charges and Transmission Charges on the basis of Contract Demand instead of actual consumption of units. The issue has been clarified by the Commission through its Practice Directions on 8 March, 2017. Accordingly, MSEDCL should recalculate Wheeling Charges or Transmission Charges on actual energy drawal at the consumption end and refund any amount recovered in excess of these stipulations within a month, with applicable interest. MSEDCL has now revisited the issue and the bills are being corrected accordingly, but, there are still differences with respect to the actual amount of refund due.
 - (iv) The Petitioner submitted STOA application for the month of May, 2017 to MSEDCL on 1 April, 2017 which was rejected and informed to the Petitioner vide email dated 26 April, 2017. The Petitioner also submitted MTOA application for June 2017 to March 2018 on 23 February, 2017 which was also rejected and communicated to the Petitioner by MSEDCL vide its email dated 29 April, 2017. The reason for the rejection in both the cases was that the resultant power flow after considering CUF cannot be accommodated in the network.
 - (v) MSEDCL's Reply in the matter is received only yesterday. MSEDCL's argument regarding the issue being a billing dispute is not correct. It is not a billing error or dispute. It is an issue of refund of the amount collected erroneously for OA transactions and should be refunded as per the Practice Directions of the Commission.
 - (vi) The Practice Directions should have been implemented with retrospective effect as they are not with regard to something newly added in the Regulations.
2. Representatives of MSEDCL stated that the Petitioner submitted the MTOA applications for December 2016 to March 2017 in the formats of DOA Regulations, 2014 and hence OA was not granted. The MTOA for 1 June, 2017 to 31 March, 2018 and STOA permission for May, 2017 were not allowed as the resultant power flow after considering CUF cannot be accommodated in the network and this was communicated to the Petitioner along with certain other reasons such as SEM report not being enclosed.
 3. The Commission directs MSEDCL to submit the reasons for delay in processing the MTOA applications in the present matter, the level at which delay and error in

response took place and the purpose and propriety of denial on the basis of absence of SEM report when MSEDCL has given OA in the previous period, presumably on the basis that SEM had been installed within two weeks. The Petitioner may submit its Rejoinder, to the Reply and MSEDCL's additional submission, if any, within two weeks thereafter.

The Case is reserved for Order.

**Sd/-
(Deepak Lad)
Member**

**Sd/-
(Azeez M. Khan)
Member**