

**Through Email & Hard Copy**

**TANGEDCO  
ACCOUNTS BRANCH**

**144, ANNA SALAI,  
CHENNAI-600002.**

**Memo.No.CFC/REV/FC/REV/AS.3/F.CGP/D.349/17, dated. 02.05.2017**

**Sub: Verification of CGP Status – High Court of Judicature at Madras issued interim orders in the Writ Petition of TASMA in WP No.10497 of 2017 and others on 25.04.2017-Representation received from the Petitioners of the WPs- Instructions Issued- Reg**

- Ref: 1. Circular. Memo. No. CFC/FC/REV/AS.3/D.325 /17, dated 15.03.2017**  
**2. Memo. No. CFC/REV/FC/REV/AS.3/F.CGP/D.203/17, dated 18.03.2017**  
**3. Circular Memo No.CFC/REV/FC/REV/AS.3/F.CGP/D.329/17, dated.30/31.03.2017**  
**4. Lr.No. CFC/REV/FC/REV/DFC/AO.4/F.CGP Status/D.259/17 Dated 30/31.03.2017.**  
**5. Memo. No. CFC/REV/FC/FC/REV/F.CGP Status/D.334/17 dated 07.04.2017 Issued by the Director-Distribution.**  
**6. Memo. No. CFC/REV/FC/REV/AS.3/F.CGP/D. 338 /17, dated.15.04.2017**  
**7. Memo. No. CFC/REV/FC/REV/AS.3/F.CGP/D.340 /17, dated.15.04.2017.**  
**8. Memo No. CFC/REV/FC/REV/AS.3/F.CGP/D.348/17, dated.21.04.2017.**  
**9. Memo No. CFC/REV/FC/REV/AS.3/F.CGP/D. 311/17 dated 24.04.2017.**  
**10. The Interim Orders of the Hon'ble High Court in our WP No.10497 of 2017 and others dated 25.04.2017.**  
**11. TASMA, TECA, representation dated.28.04.2017.**

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**The attention of all the Superintending Engineers of EDCs is invited to all references (1) to (9) above. In continuation, some associations have filed Writ Petitions in WP No. W.P.No.10497, 10542, 10546, 10550, 10576, 10634, 10548 of 2017 and others challenging various circulars issued in the matter of verification of captive status; that, in the said writ petitions, the writ petitioners therein have also filed Miscellaneous Petitions praying for interim order of stay or injunction, as the case may be, in W.M.P.Nos.11388 and 11389, 11452 and 11453, 11459, 11469, 11470, 11515, 11516, 11572, 11573, 11464,11465 of 2017 and others of the impugned circulars; that the Hon'ble Court, after hearing the matter at length, was pleased to refuse to grant any interim stay, however, ordered, the relevant portion of which is as follows:**

**" Considering the above submissions made, this Court is of the view that the matter requires a deeper consideration. It is submitted that only in few cases, demands have been raised after conclusion of the process of verification. Therefore, this Court is of the view that while permitting the**

process of verification to go on, no new demand can be raised by way of passing appropriate orders. In case, where demands have already been raised, they shall not be given effect to. It is made clear that this order will not stand in the way of the petitioners contending that the process of verification is contrary to law. It is further clear that the benefits which the petitioners are enjoying till now shall not be disturbed until further orders, so is the case of the entitlement for the future, on merits, if any.

Post the writ petitions on 15.06.2017."

In this regard, it is stated that TANGEDCO can go on with the verification process but not to raise demand/insist the demand, if any already raised.

2. In view of the said further development and in order to give one more opportunity to HT Generators/HT Users, by virtue of the liberty granted by the Hon'ble Court in the said interim orders for verification process of CGP status, HT Generators/HT Users may be provided with a further time to produce complete documents as called for to verify their captive status for the financial years 2014-15; 2015-16; and 2016-17 on or before 20.05.2017 [For the FY 2016-17, the Audited Balance Sheet need not be insisted now or until September 2017].

3. If HT Generators/HT Users do not produce complete documents, it may be construed that they have no documents to furnish for carrying out verification and/or to substantiate captive status under Rule 3 of the Electricity Rules, 2005. In the event of not satisfying the captive status by them, the cross subsidy surcharge on the actual adjusted energy has to be provisionally quantified as Rs..... (Rupees ..... only) for the financial years 2014-15; 2015-16; and 2016-17.

SI.NO	Financial Year	Adjusted units under captive category	Amount of Cross Subsidy Surcharge (in Rupees)
<b>TOTAL</b>			<b>(Rupees in Words_____)</b>

4. In view of the interim order of the Hon'ble Court in force as on date as aforesaid, it is made clear that the provisional amount will not be insisted and/or final demand, if any, arises will not be given effect to and the same has to be intimated to all the HT Generators/HT Captive Consumer [To the Users only with copy to Generators ].

5. Further, it is stated that the benefits which the HT Generators/HT consumers are enjoying till now, like the benefits of getting NOC, making application for surrender of surplus demand or making application for additional demand etc shall not be disturbed until further orders.

6. Further, the Superintending Engineers of Distribution Circles [Captive User end] are also hereby instructed as below:

1. The Cross Subsidy Surcharge arises to all those HT consumers [Users] who have adjusted the energy against their consumption [under OA] under captive category, when their Captive Generating Plant loses its captive status.

2. The rate of CSS is applicable in accordance with the respective Tariff Order of TNERC and the same implemented by TANGEDCO in the respective circulars vide Circular. Memo. No. CFC/ REV/ FC/DFC/AAO/AS.3/ F.TF.WI-3/ D.110/ 13, dated.09.07.2013 and Circular. Memo. No. CFC /FC/ REV/DFC/AAO.HT/AS.3/D.NO.172/14, dated.24.12.2014 and the same are attached herewith for ready reference.

3. The 50% rate of CSS is applicable to the energy adjusted against consumption by HT consumers [Users] from the NCES based generators in accordance with aforementioned circulars. On the other hand, 100% rate of CSS is applicable to the energy adjusted against consumption by the HT consumers [ Users] from the Non-NCES based generators.

7. Hence, all the Superintending Engineers of the Distribution Circles are hereby instructed to follow the above instructions scrupulously and the HT Users/HT Generators may be intimated accordingly, for which a model letter is enclosed. The intimation letters shall be arranged to be posted by RPAD and E-Mail to all the HT Captive consumers on before 05.05.2017 without fail by the User end circle[With a copy to Generator].

[ By Order of CMD]

Encl.: As above

Sd/xxxx(02.05.2017)  
Chief Financial Controller/Revenue  
TANGEDCO

To

All the Superintending Engineers of Distribution Circles.

All the Chief Engineer of Distribution Regions.

Copy to the Chief Engineer/NCES, TANGEDCO, Chennai-2.

Copy to the Chief Engineer/PPP, TANGEDCO, Chennai-2.

Copy to the Chief Engineer/Grid Operation, TANTRANSCO, Chennai-2.

Copy Submitted to the Director/Operation/TANTRANSCO.

Copy Submitted to the Director/Generation/TANGEDCO

Copy Submitted to the Director/Distribution/TANGEDCO

Copy Submitted to the Director/Finance/TANGEDCO and TANTRANSCO

Copy to APO/Tamil Development.