

TAMIL NADU ELECTRICITY CONSUMERS' ASSOCIATION
Regd. No. 181-8524/1998 – CIN.No. U37102TZ1998GAP008524
1st Floor, SIEMA Building, 8/4, Race Course, Coimbatore - 641 018
Phone: (0422) 4351400 E-mail: teca@tecaonline.in Web: www.tecaonline.in

TECA: 2018/2019/SR/54
28th September 2018

CIRCULAR

To

All Members,

Dear Sir,

Sub: High Court Order: Withdrawal of 'Deemed Demand Benefit' by TANGEDCO

Ref : TANGEDCO Circular No. CFC/FC/DFC/AAO.HT/AS.3/REV/ D.N.115/13 dated 29.07.2013

TECA had informed members regarding 'Deemed Demand Benefit' (DDB) allowed for Open Access Consumers with effect from 15.05.2006 (Circular issued by Chief Financial Controller-Revenue). TANGEDCO has made this withdrawal is done without consent of TNERC.

It may be noted that, earlier TNERC had issued order to withdraw DDB only for Wind Energy Captive Consumers (Order # 6 of 2012 dated 31.07.2012). The withdrawal order of TNERC is not applicable to OA Consumers. As such, circular issued by CFC-Revenue is not legal, arbitrary and in violation of provisions of Electricity Act 2003.

Few TECA members has challenged this matter by filing individual Writ Petitions. The Hon'ble High Court had issued interim orders to stay applicability of circular provided when 50% of DDB demand charges are paid.

In this regard, final hearing was held on 14.09.2018.

The Hon'ble Court finally quashed TANGEDCO's Circular (# CFC/FC/DFC/AAO.HT/ AS.3/REV/ D.N.115/13 dated 29.07.2013). The court directed TANGEDCO to approach TNERC and seek fresh orders in the matter for withdrawal of DDB for OA consumers.

In this context, we wish to inform members that TNERC is at liberty to decide matter and pass orders. TECA wishes to inform its members that there may not be undue delays in TNERC passing order as there is precedence in respect of other categories.

We are enclosing the copy of the order for your ready reference.

With Warm Regards,

N. Pradeep
Secretary