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- (a) The firm is now running a 100 KVA DG set without statutory clearance from the Commission or the Chief Electrical Inspector.
- (b) Till now no energy meter is installed by the firm for recording energy generated by the above DG set which is a loss to State Govt. in terms of Electricity Duty.

CESCO has no objection for grant consent by the Commission to the applicant to run 100 KVA DG set as stand-alone mode till the firm avails the power supply from CESCO and stand-by mode after availing CESCO's power supply. The firm should install the energy meter for recording energy generated for calculation of Electricity duty payable to Govt.

- 3. The Commission has heard both the applicant M/s Prinic Steels Pvt. Ltd. and the respondent namely CESCO in the case. The applicant has admitted that it is running the DG set on trial basis, as keeping the set idle would create a problem as instructed by its supplier. However, no permission has been taken by the applicant from the Commission to acquire and establish the DG set. Chief Electrical Inspector has also not inspected the DG set from safety consideration. As no energy meter has been installed, the quantity of electrical energy generated is not known as is required for purpose of levying Electricity Duty payable to Govt. of Orissa.
- 4. CESCO has already intimated its no objection to the grant of consent for the running of the DG set in stand-alone mode, till the firm avails power supply from CESCO and standby mode after availing CESCO's power supply.
- 5. In view of no-objection by the licensee company, the Commission, in exercise of its power u/s 44 of the Electricity (Supply) Act, 1948 read with Sec.21(3) of the Orissa Electricity Reform Act, 1995 grants permission to the applicant to run the 100 KVA DG set in standalone mode till power supply is made available to the firm from CESCO and thereafter in stand-by mode. We have, however, to observe

that running of DG set without prior permission from the Commission is a blatant violation which can invite prosecution, under Chapter -XII of the OER Act, 1995 leading to imprisonment for a period which may extend to three months or with fine which may extended to Rs.1 lakh or with both.

6. The Chief Electrical Inspector is advised to inspect the installation as required under Electricity (Supply) Act, 1948 and prefer a bill for Electricity Duty based on documents (date of installation, hours of run quantity of fuel etc.)

**Sd/-**  
**(H.S. SAHU)**  
**MEMBER**

**Sd/-**  
**(D.K. ROY)**  
**CHAIRMAN**