

**ORISSA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
UNIT-VIII, BHUBANESWAR – 751 012**

Present : Shri D.C.Sahoo, Chairperson
Shri B.C. Jena, Member
Shri S. K. Jena, Member

Dated the 8th day of February, 2006

Case No.18 of 2005

1. M/s. The Southern Electricity Supply Company of Orissa Ltd, (Southco)
Corporate Office, Courtpeta, Berhampur,
Ganjam **Petitioner**

- Vrs -

M/s VBC Ferro Alloys Limited,
Khairatabad, Hyderabad – 500 004. **Respondent**

For the petitioner - Shri M. K. Mohapatra, Advocate

For the respondent - Shri R. C. Mohapatra

ORDER

1. This case arises out of a petition filed by the CEO, SOUTHCO, for approval of special agreement with M/s Vizag Bottling Company Ferro Alloys Limited, Khairatabad, Hyderabad under Regulation 81 of OERC Distribution (Conditions of Supply) Code, 2004 for supply of 10 MVA of power at 132KV to their units at Rayagada.

2. Prior to this petition, M/s VBC requested SOUTHCO for giving the status of a 'New Industry' for availing the discount benefits envisaged in Para 8.27 of OERC Tariff Order dated 22.03.2005. The SOUTHCO filed a petition before the OERC seeking clarification and determination of category of consumer and

applicability of discount tariff to M/s VBC Ferro Alloys Limited which was heard by the Commission in case No. 18 of 2005. The Commission directed the Licensee-Distribution Company to decide the claim of M/s VBC regarding status of new industry in the light of IPR-2001 of the State Govt. The request of the consumer for giving the status of 'New Industry' was not acceded to by SOUTHCO, as VBC did not fall under the category of 'New Industry' as defined in the IPR 2001.

3. During the course of hearing of the case, M/s VBC submitted that the case may be kept pending till classification regarding its status as a 'new industry' is received from the State Government. They also further enclosed a letter of IPICOL, which recommended their application to the State Government to recognize them as a 'new industry'.

4. Furthermore, M/s VBC Limited do not agree to the terms and conditions stipulated in the special agreement.

5. In view of the above, the Commission does not approve the special agreement due to objections raised by the beneficiary industry i.e., M/s VBC Ferro Alloys Limited.

Sd/-
(S. K. JENA)
MEMBER

Sd/-
(B. C. JENA)
MEMBER

Sd/-
(D. C. SAHOO)
CHAIRPERSON

Dt.08.02.2006

Order vide separate sheets is passed today. Send copies of this order to the parties concerned as per the provision of OERC (Conduct of Business) Regulations, 2004.

MEMBER(SK)

MEMBER(J)

CHAIRPERSON