

**Before Maharashtra State Electricity Distribution Co. Limited
Consumer Grievances Redressal Forum, Pune Zone,
925, Kasabapeth Building, I Ind flr. Pune-11**

Case No. 35/2012

Date: 20/03/2013

In the matter of
M/s.Kemen Springs Private Ltd.
W-250, J-Block, MIDC Bhosari.

- Complainant

V/S

M.S.E.D.C.L. Bhosari Dn.

- Opponent

Quorum

Chair Person

Shri.S.D.Madake

Member/Secretary,

Shri.B.M.Ivare

Member

Shri.Suryakant Pathak

- 1) M/s.Kemen Springs Pvt. Ltd. located at W-250, J-Block MIDC Bhosari, Pune is a L.T. consumer of MSEDCL vide consumer No. 170144005883 having sanctioned load of 67HP and contract demand 56 KVA since 01/01/2001.
- 2) Consumer contended that opponent be restrained from recovering arrears as company paid amount in excess of the bill to the extent of Rs.2,48,659/- (Two lakhs forty eight thousand six hundred fifty nine only).Consumer claimed amounts stated below.
 - 1) Power factor penalty- P.F. is above 0.95 (Rs.46,813.11)
 - 2) Penalty on load- Cut off MCB installed (Rs.40,750.00)
 - 3) Adjustment amount - No. explanation why charged(Rs.16,577.70)
 - 4) Interest on Arrears- All monthly bills are paid(Rs. 8,130.63)
 - 5) Arrears of interest- No arrears, hence no interest(Rs.1,05,444.35)
 - 6) Assessed DPC – No arrears hence no DPC.(Rs.30,943.39)

- 3) The consumer initially moved to IGRC, however no relief was granted. Consumer prayed for the relief's referred and the MSEDCL refused to grant the prayers. Both sides argued at length. We have dealt each issue separately on the basis of pleadings and documents as under.

(A) POWER FACTOR PENALTY

- 4) The complainant stated that P.F. penalty has been imposed for April-2009 to Oct-2009 and for Nov-2011 to Jan-2012 having total amount of Rs.49,147/- The inspection of capacitor from external Agency M/s. Subhodh Capacitors is carried out dt.07/01/2012, which was showing P.F. as 0.993. The complainant maintained daily meter reading for the period 03/01/2012 to 07/04/2012. The P.F. calculated in Jan-2012 is 0.929 which is above 0.9 however penalty of Rs.4636.60 is imposed in bill. Consumer stated that PF average for Feb-2012 is 0.983 as per reading maintained, which is above 0.95, however rebate has been not given in the bill. Consumer submitted as per daily reading maintained during Jan-2012 shows that P.F. calculated is 0.929 and meter shows reading average P.F. as 0.896, hence meter reading is not correct.

Consumer contended parallel meter was installed by MSEDCL on 7/04/2012, which shows different result from existing meter. The complainant demanded that wrong penalty has been levied from April 2009 to Oct-2009 and Nov-2011 to Jan-2012, which is to be refunded.

- 5) The MSEDCL filed written statement and submitted that amount is charged as per rules. MSEDCL submitted that Power factor penalty for the period as stated in grievance was as per the readings recorded by energy meter and as meter has recorded correct reading, average PF calculated is correct.
- 6) The MSEDCL further contended that energy meter installed at consumer premises was checked with Accucheck meter (Standard meter checking equipment) in front of company representative on 12/03/2012 and test results of meter were found correct. The copy of verification report submitted to complainant vide letter O. No. 1083 dt.13/03/2012

- 7) The MSEDCL stated as consumer is not satisfied, other energy meter is installed in series with existing meter on 07/04/2012 to check the accuracy of existing meter. The reading of both meters, are taken on 08/05/2012 i.e. one month after installation and results of both meter are found same. The P.F. average calculated from both meters is 0.96, hence existing meter found correct. The verification report submitted to complainant vide L.O.No. EE/BSR/Billing /2204 dt.18/05/2012 is on record.
- 8) The MSEDCL submitted that existing meter again tested on 28/12/2012 at testing division lab and accuracy test result found within limit. Hence meter is recording correct readings. Therefore all charges are correct, which shall be paid by complainant.
- 9) The rules stated below are relevant to decide the issue.
 - a) Condition 22k of Annexure VI under rule 27 of the Indian Electricity Rules, 1956, stipulates that, consumer's apparatus shall have power factor of not less than 85 percent at normal working load. Further the condition 19 of the said Annexure, stipulates that if any consumer adopts any electrical appliance which is likely to affect the supply to other consumers, the licensee may discontinue the supply so long as such appliances is not kept in proper order. The Licensee is not bound to give or continue supply as long as such appliance is not kept in proper order.
 - b) The Maharashtra Electricity Regulatory Commission (Electricity Supply Code & Other Conditions of supply) Regulations, 2005, came into force from January, 2005. Regulation 12 reads:

"12. Power factor / Harmonics

12.1 It shall be obligatory for the consumer to maintain the average power factor of his load at levels prescribed by the Indian Electricity Rules, 1956, with such variations, if any adopted by the Distribution Licensee in accordance with Rule 27 of the Indian Electricity Rules, 1956 and accordance with the relevant orders of the Commission....

12.2 The Distribution Licensee may require the consumer within a reasonable time period, which shall not be less than, three months, to take such effective measure so as to raise the average power factor or control harmonics of his installation to a value not less than such norm, in accordance with Regulation 12.1 above.

Provided that the Distribution Licensee may charge penalty or provide incentives for low / high power factors and for harmonics, in accordance with relevant Orders of the Commission”

Perusal of the various tariff orders passed by the commission , MERC , show that whenever the average power factor is more than 0.95 an incentive shall be given and whenever the average P.F. is less than 0.9 penal charges shall be levied.

Therefore as per I.E. rules 1956, it is prime duty of consumer to maintain power factor and as per various tariff order distribution licensee may charge penalty or provide incentives in accordance with relevant orders of commission.

The complainant has maintained daily hourly reading in a register for the period 03/01/2012 to 07/04/2012. From this data, complainant contended that average calculated P.F. is different than P. F. reading of meter. However on verification of various bill shown by opponent it is observed that average P.F. is calculated by considering consumption of KWH & KVAH units and billed accordingly.

On perusal of electricity bills shows the following KWH, KVAH, and average power factor as bellows, were P.F. Penalty levied to complainant.

Billing month	KWH Consumption	KVAH consumption	Calculated average P.F.	Billed P.F. in the bill	Penalty levied in the Bill (Rs.)
April-09	2381	3359	0.71	0.71	3245.39
May-09	3600	5227	0.69	0.69	4870.02
June-09	2724	4146	0.66	0.66	4405.50
July-09	5205	7788	0.67	0.67	7539.28
Aug-09	5048	7780	0.65	0.65	8080.95
Sept-09	4764	6970	0.68	0.68	6801.82
Oct-09	5226	5896	0.89	0.89	619.71
Nov-09	6522	7230	0.90	0.90	--

Where average power factor calculated as $\text{KWH (Total) / KVAH (Total)}$

Hence it shows that penalty or incentive given as per calculated average P.F. in each billing month.

As per verification report dt.12/03/2012, the existing meter was checked with accucheck meter in front of company representative and meter accuracy found within limit. Further said meter was tested at Ganeshkhind testing division on 28 & 29/12/2012 and meter accuracy test results for KWH, KVAH and KVARH found within permissible limit. The report is submitted to EE MSEDCL Bhosari division and also copy to complainant vide L. No. EET/GKUC/T/4157dt.31/12/2012, which shows the correctness of the meter.

Further it is seen that series meter was installed with existing meter on 07/04/2012 to check the accuracy of existing meter. From the record maintained by complainant for the period 07/04/2012 to 22/06/2012 regarding both meter readings, the complainant states that there is variation in reading of P.F. and therefore alleged that meter is not working correctly. Where as MSEDCL states that by taking of series and existing meter reading on 08/05/2012 i.e. after one month from installation meter, average P.F. calculated is same. Hence existing meter is found accurately recording of energy.

As per table enclosed by complainant vide Anne-V. It shows following KWH consumption and calculated P.F. as below.

Month	KWH consumption		Avg. power factor calculated	
	Existing billing meter	Series meter	Existing billing meter	series meter
April-2012 (07/04/12 to 30/04/2012)	3898	3875	0.904	0.909
May-2012 (04/05/12 to 23/05/2012)	5613	5563	0.932	0.934
June-2012 (01/06/12 to 22/06/2012)	3924	3948	0.935	0.929

From above data as maintained by complainant, it appears that power factor calculated for both the meters are same.

In view of above, Forum comes to conclusion that P.F. penalty and incentive levied in the bills are correctly charged. Therefore complainant is not entitle to refund said P.F. Penalty.

(B) PENALTY ON EXCESS LOAD

- 10) Complainant alleged that MSEDCL illegally charged an amounts of Rs. 40,750/- (forty thousand seven hundred and fifty) as penalty on excess load. It is submitted that MCB has been connected so there is no question of excess load.
- 11) The MSEDCL submitted that penalty is calculated on the basis of actual maximum demand recorded by energy meter, since readings of meter are correct.
- 12) In the matter of connected load i.e. case No. 2 of 2003, the Hon'ble commission MERC vide its order dt.14/07/2005 has mentioned that load penalty will be applicable if maximum demand exceeds the sanctioned load and has been measured by meter.

On perusal of tariff orders, in case of load drawn exceeding sanctioned load, to be measured through M.D. Meters, the consumer shall be billed based on the actual drawn demand and shall be levied penalty charges for demand beyond the sanctioned load i.e. excess demand over the contract demand.

In this regard complainant contended that there has been no change in load and MCB is connected to switch off power. The MSEDCL stated excess load penalty is calculated from actual maximum demand recorded by energy meter and therefore consumer is liable to pay the said penalty as per tariff orders of MERC.

The submission of consumer that due to installation of MCB there is no question of enhancement of load is not correct.

On perusal of bills, issued to complainant, it is observed that excess penalty levied when maximum demand recorded by meter exceeds the sanctioned load. The MSEDCL is entitle to claim bills for excess load penalty.

(c) BILL ADJUSTMENT AMOUNT

- 13) MSEDCL has not given justification regarding debit bill adjustment amount of Rs.16577.70 for the period May-2009 to Feb-2011, hence complainant requested for refund of said amount. The MSEDCL states that debit bill adjustments are as per various tariff orders given by MERC from time to time.
- 14) The MSEDCL has claimed amounts in the column of bill adjustment amount to the extent of Rs. 16,577/- It was expected on the part of MSEDCL to inform to consumer, regarding details of bill adjustment amount. It is also pertinent to note that MSEDCL has not specifically mentioned, the tariff orders, on the basis of which the amount is claimed as above. We are of the opinion that consumer is entitle to refund the said amount. The amount within limitation i.e. March-2010 to March-2012 is an amount of 9446/- which is to be refunded to the complainant.

(D) INTEREST ON ARREARS AND DPC.

- 15) The complainant stated that since company made payment for the "Current Bill" and besides this bill are showing wrong arrears due to above penalty, all interest charged is to be waived off and refund of said amount along with DPC amount.

- 16) MSEDCL states that interest and DPC are charged due to arrears, as all complete bills are not paid by complainant. Therefore these charges could not be withdrawn.
- 17) As per MERC (Electricity supply code and other condition of supply) Regulation 2005 Cl. No. 15.5.4 states "A consumer who neglects to pay his bill is liable for levy of delayed payment charges and interest on arrears in accordance with relevant orders of the commission, appropriation of security deposit and/or disconnection of supply in accordance with the provision of the Act and these regulations".

As per various tariff orders, any consumer has to pay DPC in case the electricity bills are not paid within due date mentioned on bill and interest chargeable on arrears.

The complainant has not specifically stated and proved that MSEDCL has charged excess interest or DPC.

- 18) In the result, we pass the following order

ORDER

- 1) The MSEDCL is directed to refund an amount of Rs.9,446/- (Rs. Nine thousand four hundred forty six only) with applicable interest claimed against bill adjustment amount during March- 2010 to March-2012.
- 2) No order as to cost.
- 3) Compliance should be submitted within one month to this forum from the date of order.

B.M.Ivare,
Member/Secretary

Suryakant Pathak
Member

S.D.Madake
Chair Person

Date: 20/03/2013