

**BEFORE THE CONSUMER GRIEVANCE REDRESSAL FORUM**  
**AURANGABAD ZONE, AURANGABAD**

( Case No. CGRF / AZ /AUR /U / 295 / 2010 / 22 )

**Date of Filing:** 06.07.2010  
**Date of Decision:** 06.09.2010

M/s Bajaj Auto Limited,  
Shop No.6, Business Centre,  
Adalat Road,  
Aurangabad.  
(Consumer No. 490019043800)

**Consumer Complainant.**

V/s

**MAHARASHTRA STATE ELECTRICITY DISTRIBUTION  
COMPANY LTD. URBAN CIRCLE, AURANGABAD.**

**The Distribution Licensee.**

**Shri V.A.Hambire      President**

**Shri V.S.Kabra      Member**

**Shri P.A. Sagane      Member secretary**

**Sub:** Grievance under the Maharashtra Electricity Regulatory Commission, (Consumer Grievance Redressal Forum and Ombudsman) Regulations, 2006.

The consumer complainant M/s Bajaj Auto Limited, Aurangabad, has filed this grievance in Annexure "A" before this Forum on **06.07.2010**, under Regulation No. 6.10 of the Regulations 2006. The grievance of the consumer was registered in this office at Sr.No. 295/2010/22 and was forwarded to the Nodal Officer, (Adm.) in the office of the Superintending Engineer, O&M Urban Circle, Aurangabad and hearing in the matter was kept on 20.07.2010.

The grievance of the consumer, in brief, as per consumer, is as stated Below:-.

1) The consumer had taken electricity supply on 11kv for its show room at above-mentioned address from MSEDCL Urban Circle, Aurangabad. (hereafter called as D.L.). The sanctioned contract demand is 100KVA with connected load 112 KW. The consumer states that he had applied for 100KVA contract demand considering future expansion, however since he had postponed the expansion plans, he filed an application for reduction of contract demand from existing 100KVA to 50 KVA on 25.09.2009. Consumer further states that inspite of continuous followup; D.L. has not reduced his contract demand and continued to issue the monthly bill on the basis of 100KVA contract demand. The consumer had paid all the bills regularly to avoid the disconnection of supply. The consumer states that as per the MERC condition of supply 2005 the Commission directed the D.L. to approve the reduction in contract demand/connected load within one month from the date of submission of application. However the D.L. failed to follow the guidelines laid down by the Honorable Commission. The consumer received a letter from D.L. after lapse of 10 months that his application cannot be consider. The consumer submitted his prayer as bellows:

- i) D.L. may be directed to approve the load reduction from 100KVA to 50 KVA
- ii) D.L. may be directed to refund/adjust the excess amount paid by the consumer from September 2009 along with 18 % interest
- iii) D.L. may be directed to pay compensation as per MERC Regulations.

2) The above case was heard on date 20.07.2010, & 03.08.2010. Shri S.B.Bharati, Nodal Officer, Urban Circle, MSEDCL, Aurangabad and consumer representative Ku.C.S.Deshpande, and Shri Choube was present. Consumer submitted his complaint as above and requested for reduction in contract demand from 100KVA to 50 KVA. Nodal Officer submitted his written reply along with the copy of MERC Regulations 2005 Section 5.3 and states that as per the above Regulations the contract demand can not be reduced below 100KVA. However for reduction in contract demand up to 50 KVA the consumer has to take new LT supply as per the prevailing rules of D.L.

He further states that as per the tariff declared by Hon'ble MERC the consumer is already billed for 50 KVA contract demand as his recorded M.D. is below 50KVA. The consumer in his written statement states that the Hon'ble MERC issued the guidelines in its Regulations 2005, Section 5.3, for release of new service connection and not for reduction in contract demand. The consumer also submitted the list of the consumers who are connected on 11KV with 50 KVA contract demand. Heard both the sides in length and matter kept for decision.

3) The arguments made by both the parties and documents placed before the Forum reveals that as per the consumer's application the D.L. had sanctioned the new connection on 11KV with contract demand 100 KVA and connected load 112 KW. The billing record of the consumer shows that the highest monthly billing demand recorded is in between 10 to 20 KVA. As per the tariff declared by Hon'ble Commission the consumer's monthly billing demand will be the higher of the following :-

- i) Actual Maximum Demand recorded in the month during 0600 hours to 2200 hours.
- ii) 75 % of the highest billing demand recorded during the preceding eleven months.
- iii) 50 % of the contract demand.

As such the consumer has to pay the demand charges of 50KVA, in spite of his recorded demand is between 10 to 20 KVA,. to avoid this loss consumer applied for reduction in contract demand 100 KVA to 50 KVA. It is on the record that after receipt of the consumer's application dated 20.08.2009 for reduction in contract demand the D.L. vide his letter dated Nil asked consumer to submit the short falls documents for further needful action, and after submission of necessary documents the D.L. vide its letter No. SE/AUC/T-com-/02721 dated 10.06.2010 intimated the consumer to shift his existing HT connection on LT special category of billing and reduce the connected load. The above two letters of D.L. are contradictory to each other. The perusal of the section 5.3 of MERC (Standard of Performance of Distribution Licensees, period for giving supply and determination of compensation ) Regulations, 2005 reveals that the Hon'ble Commission had given the classification of installations on the basis of voltage level and connected load for releasing new service connection and this Regulations is not applicable in case of reduction in contract demand.

The Hon'ble MERC (Electricity Code and other conditions of supply) Regulations 2005, had laid down the procedure of reduction in contract demand/sanctioned load under Section 6.8 as bellows:

*“ 6.8 The Distribution License shall increase or reduce the contract demand/sanctioned load of the consumer upon receipt of an application for the same from the consumer :*

*Provided that where such increase or reduction in contract demand/sanctioned load entails any works, the Distribution Licensee may recover expenses relating thereto in accordance with the principles specified in Regulations 3.3, based on the rates contained in the schedule of charges approved by the Commission under Regulations 18:*

*Provided further that any dispute with regard to the need for and extent of any such works pursuant to an application for increase or reduction in contract demand/sanctioned load shall be determined in accordance with the procedure set out in the grievance Redressal Regulations:*

The D.L. also passed the same instructions to their field officers vide Commercial Circular No. 101 dated 16.10.2009, and instructed to follow the procedure of reduction in contract demand as per the above clause No. 6.8 of MERC Regulations, 2005. The D.L. also vide its Commercial No.105, dated 26.11.2009 has passed the instructions for field officers to consider the cases of release of power supply at the voltage higher than stipulated in the MERC standard of performance, Regulations, 2005 Section 5.3 (i), wherein the voltage level at which a particular load is to be released is prescribed. In order to expedite the release of such connections, the D.L. has sub-delegated the powers to its field officers. Further D.L. vide its Departmental Commercial Circular No. 636 dated 20.01.2000 has restricted the conversion of HT consumer to LT category, with the reasons that the system losses increases if supply is given on LT side. As in case of HT consumer metering being on HT side, the Distribution Transformer losses are counted in the consumer's meter.

In such a situation, the above letter of SE Urban Circle, Aurangabad, No.2721, dated 10.06.2010 and submission of Nodal Officer, to compel the consumer to reduce the load below 80 KW and avail the supply on LT side is contradictory and baseless. The consumer along with the written statement has submitted the list of five numbers of HT consumers in Aurangabad Urban Circle Area, who had been given the supply on 11KV with contract demand 50KVA.

Considering the above facts the D.L. had no point to reject the consumer's application for reduction in contract demand.

## **ORDER**

- 1) D.L. is directed to reduce the consumer's contract demand from 100KV to 50 KVA with effect from September 2009.
- 2) Excess amount paid by the consumer against the contract demand with effect from September 2009 should be refunded through energy bill.

The D.L. & the consumer shall comply with the above order and report compliance to the Forum within 30 days.

**( V.S. Kabra )**  
**Member**

**( P.A.Sagane )**  
**Member Secretary**

**(V.A.Hambire)**  
**Chairman**

