

# CONSUMER GRIEVANCE REDRESSAL FORUM, MSEDCL, BMTZ, BARAMATI.

Case No.: 15/2015

Date of Grievances: 15/12/2015 Date of Order: 12/02/2016

In the matter of refund of 2% voltage surcharge.

Piaggio Vehicles Pvt. Ltd. Plot No.E-2, MIDC Industrial Area, Baramati, Dist.Pune-413133. Complainant

(Herein after referred to as Consumer)

## Versus

Superintending Engineer, M.S.E.D.C.L.,Baramati O&M Circle, Baramati – 413133.

Opponent

(Herein after referred to as Licensee)

#### Quorum

Chairperson Member Mr. Shahaji N. Shelke Mr. Suryankant S. Pathak

Member Secretary

Mr. Rajendra L.Rajandekar

# Appearance:-

For Consumer: -

Mr. Satish Shah (Representative)

Mr.T.N.Agarwal Mr.Ashok Medankar

For Respondent: -

Mr.Kishor Patil, Executive Engineer (Adm.), MSEDCL,

Baramati Circle.

Mr.D.B.Tarange, Dy.E.E., Baramati Circle.

1. The Consumer has filed present Grievance application under regulation No. 6.4 of the MERC (CGRF& E.O.) Regulations 2006. Herein referred to as the Regulations.

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- 2. Being aggrieved & dissatisfied by the order dated 28/10/2015 passed by IGRC Baramati Circle, Baramati, thereby, refusing to pay interest on refund of 2% voltage surcharge, the consumer above named prefers the present grievance application on the following amongst other grounds.
- 3. The papers containing the above grievance were sent by the forum to the Superintending Engineer, Baramati Circle, Baramati vide letter No. EE/CGRF/BMTZ /No.6474 Dated 15/12/2015. Accordingly the Distribution License filed its reply on 18/12/2015.
- 4. We heard both sides at length, gone through the contention of the consumer and reply of the respondent & documents placed on record by the parties. On its basis following factual aspects were disclosed.
  - i) Consumer namely Piaggio Vehicles Pvt. Ltd. is HT consumer of MSEDCL having presently contract demand of 8700 KVA and availing power supply through 33 KV HT feeder.
  - ii) The said feeder was tapped by other consumer in Nov.2011 and thereafter as per MERC SOP Regulations, 2005, 2% voltage surcharge(alongwith FAC, Elect. Duty and other charges) was imposed on the said consumer as the contract demand was exceeding 5000 KVA.
    - iii) The Licensee (MSEDCL) has collected 2% voltage surcharge during the billing period from 20.5.2014 to 30.6.2014.
  - iv) Thereafter as per SOP Regulations, 2014, published by MERC on 20<sup>th</sup> May 2014, classification of installation for AC voltage at various level have been revised.
  - v) The consumer submitted application for refund of 2% voltage surcharge to Superintending Engineer, which was forwarded to the office of CE, Commercial, Head Office Mumbai for further approval and guidance vide letter No. SE/BRC/T/5195 dtd. 4.11.2015.

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- vi) As per CE, Commercial Circular No.224 dtd.5.7.2014 new SOP Regulations 2014 has been enforced and as such load upto 10 MVA can be released on 33KV level.
- vii) As per above mentioned Circular the 2% voltage surcharge has been discontinued from July-2014 onwards.
- viii) The consumer moved the grievance before IGRC, BRC Baramati but vide impugned order dated 28.10.2015, the IGRC allowed the refund of 2% surcharge for the above mentioned period however, refused to pay interest as per Law.
- Consumer representative Mr. Satish Shah submitting that as per SOP Regulations 5) 2005 2% Voltage surcharge was imposed on the said consumer as the contract demand was exceeding 5000 KVA. Now as per new regulations i.e. MERC SOP Regulations 2014 published by MERC on 20th May 2014, classification of installation for AC voltage at various level have been revised. Therefore they had requested the Licensee to refund the voltage surcharge vide letter dated 12.8.2014 but they have not received agny re4sponse from the Licensee Thereafter they submitted the grievance before IGRC Baramati Circle on 25.8.2015 however the IGRC though allowed their grievance refused to pay approved interest on refund amount . He further submitted that Section 45 of the Electricity Act 2003 indicates that the charges fixed by the Licensee shall be in accordance with the provisions of the Electricity Act, 2003 and the Regulations made in this behalf by the concerned state commission. The MERC has not authorized the Licensee to charge 2% VSC after 20.5.2014 i.e. after the date of issue of new SOP Regulations 2014. As per new SOP maximum permissible contract demand level on 33KV express feeder has been raised from 5000 KVA to 10000 KVA accordingly the Licensee has discontinued billing of additional 2% voltage surcharge from the bill of July-2014.

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- 6) Mr.Shah further submitted that SOP Regulations 2014 made effective from 20.5.2014 therefore Licensee be directed to refund of 2% Voltage surcharge (along with FAC Elect. Duty and other charges) illegally collected during the billing period from 20.5.2014 to 30.6.2014 totaling to Rs.5,25,818/- along with approved interest thereon as per Section 62(6) of Electricity Act 2003.
- On the other hand, Mr.Kishor Patil, EE BRC submitted that the Licensee has not denied for refund of 2% voltage surcharge, however as a matter of administrative process, it has been forwarded for recommendation and approval from the higher authority i.e. to the C.E.Commercial Head Office Mumbai vide letter No. SE/BRC/T/5195 dtd. 4.11.2015. He further submitted that the consumer has been provided with remedy as per provisions of SOP Regulations 2014 and Commercial Circular No.224 dtd.5.7.2014 and accordingly the consumer has not been charged 2% voltage surcharge from bill of July-2014.
- 8) As per SOP Regulations, 2014 published by MERC on 20th May 2014 classification of installation of AC voltage at various levels have been revised. MERC SOP Regulations, 2014 the regulation no. 5.3 to the extent of relevance reads as under:-
- 5.3 Except where otherwise previously approved by the authority, the classification of installations shall be as follows:
  - a) AC system
    - (v) three phase 50 cycles, 33KV all installations with contract demand above the limit specified in the clause (II) or Clause(III) or (IV) above and up to 10000 KVA:

Provided that in Mumbai Metropolitan Region or in case of supply to an installation through an express feeder in other area, the contract demand limit would be 20000 KVA.

9) It is pertinent to mention that the Licensee has implemented the provisions of SOP Regulations 2014 vide Circular No.224 dated 5.7.2014. Accordingly the consumers has not been filled 2% voltage surcharge from the billing cycle of July-2014. The Licensee has not denied to refund 2% voltage surcharge collected from the said consumer during the

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period from 20.5.2014 to 30.6.2014. However the said refund amount has not been received to the consumer till today. The IGRC Baramati though allowed the grievance of the consumer as to refund of 2% voltage surcharge collected during the period from 20,5,2014 to 30.6 2014, refused to pay interest on the said amount. Therefore to this extent impugned order passed by the IGRC, Baramati dtd.28.10.2015 needs to be interfered . The consumer is entitled to get refund of 2% voltage surcharge collected during the period from 20.5.2014 to 30.6.2014 along with interest as per Bank rate vide section 62 (6) of Electricity Act, 2003. Hence grievance is liable to be allowed.

10) Lastly we proceed to pass following order

### ORDER

- The grievance of the consumer is allowed with cost. 1)
- The Licensee to refund 2% voltage surcharge collected from the 2) consumer during the billing period from 20.5.2014 to 30.6.2014 along with interest as per Bank rate as per section 62(6) of the Electricity Act,2003.

The Licensee to report compliance to this office within one month from 3) the receipt of this order.

Suryakant Pathak Member/Secretary

Member CGRF:BMTZ:BARAMATI CGRF:BMTZ:BARAMATI

Chairperson

CGRF:BMTZ:BARAMATI

Note:-The Consumer if not satisfied may file representation against this order before the Hon'ble Ombudsman within 60 days from date of this order at the following address.

Office of the Ombudsman,

Maharashtra Electricity Regulatory Commission, 606/608, Keshav Building, BandraKurla Complex, Bandra (East), Mumabi-51.