

**Consumer Grievance Redressal Forum
Maharashtra State Electricity Distribution Co. Ltd.
Bhandup Urban Zone, Bhandup**

Ref. No. Member Secretary/MSEDCL/CGRF/BNDUZ/

Date :

Case No. 445

Hearing Dt. 30/05/2012, 12/06/12

26/06/2012 & 19/07/2012

**In the matter of refund of RLC, P.F. penalty, excess M.D. charges
DPC & interest, correction of C.D.**

M/s. Bharat Shot Blasting - Applicant

Vs.

MSEDCL, Sarvodya S/Dn. - Respondent

Present during the hearing

A] - On behalf of CGRF, Bhandup

- 1) Shri S.K. Chaudhari, Chairman, CGRF Bhandup.
- 2) Shri R.M Chavan, Member Secretary, CGRF, Bhandup
- 3) Dr. Smt. Sabnis, Member, CGRF, Bhandup.

B] - On behalf of Applicant

- 1) Shri Harshad Sheth, Consumer representative.
- 2) Shri Mukesh Shah, Consumer representative

C] - On behalf of Respondent

- 1) Shri S.V. Bedagkar, Dy. Ex. Engr., Mulund Divn.
- 2) Shri P.H. Manik, Mulund Divn.

ORDER

M/s. Bharat Shot Blasting is a LT Industrial Consumer with the service connection no. 600000821273 at 6, Anupam Ind. Estate, L.B.S. Road Mulund (W).

The consumer was having dispute on the following issues:

- 1) The Regulatory Liability Charges (RLC) amounting to ` 51,694/- is balance to pay by the utility alongwith the interest of 6% p.a. from July-08.
- 2) The wrongly charged P.F. penalty in the month of Sept-09 and in July-2010 should be withdrawn and should award incentive and interest for an amount of ` 36,534/- and ` 15,303/- respectively.
- 3) Refund of excess M.D. charged for 7 months from March – 2010 to Sept – 2010 for non resetting M.D. during this period.
- 4) The consumer has extended load from 65 HP to 143 HP but accordingly the contract demand is not extended. It is extended to 98 kVA which is baseless and wrong. As per the commercial circular no. 78 dtd. 28/03/2008 of utility it should have been extended to 133 kVA.

The above said dispute was raised to the IGRC, Thane by the consumer but within prescribed time limit of 60 days it was not redressed and hence aggrieved of this consumer approached to this Forum

Shri Harshad Seth was present to represent the consumer side. He stated that the utility has stopped the refund of RLC installment from Oct-2011, however the amount of ` 51,694/- is payable by the utility alongwith the interest at the rate of 6% p.a. for the delayed period till Feb-2012.

He further claimed that the utility has charged penalty on P.F. in the month of Sept-2009 and July-2010 for an amount of ` 36,534/- and ` 15,303/- respectively which is wrongly charged and hence should be waived, Instead of it utility should have awarded the incentive on P.F. to the consumer.

He further explained how the P.F. should have been ascertain by the utility as below :

	KWh	KVAH	Inc/Penalty
Aug-2009 consumption	21836	zero	-
	11016 x 2	21978 x 2	19439.73
	43868	43956	19439.73

$$P.F. = KWh/KVAH = 43868/43956 = 0.998 = 1$$

So, incentive of 7% on 2 months amount ` 12,329.94 to be awarded and penalty charged ` 19,439.73 should be waived off.

As regards to be excess M.D. charges recovered for the period of March-2010 to Sept-2010 for an amount of ` 900 x 7 months = ` 6,300/- it should be refunded as utility has never reset the M.D. during this 7 months which is mandatory to reset during every monthly reading. The Representative of consumer further claimed that the utility charged DPC and interest amounting to ` 30,809/- on the wrongly charged M.F. recovery for an amount of ` 3,13,639.86 for the period of March-2010 to August-2010 should be refunded.

The Consumer Representative conceded that initially this consumer was having sanctioned load of 65 HP which was enhanced to 143 HP but utility wrongly converted the contract demand to 98 KVA which should have been 133 KVA, hence same should be corrected from the next billing cycle.

On behalf of utility Shri S.V. Bedagkar, Dy. Ex. Engr., Sarvodaya S/Dn. was present to represent the case. He stated that the process of refund of RLC is stopped to all LT consumers as there is no directive received from the Commission. The same is awaited in the coming tariff order and accordingly the installment will be started through the system by the IT department.

As regards to the refund of P.F. penalty charged in the month of Sept-2009 and July-2010 the claim is time barred as per 6.6 of MERC (CGRF & EO) Regulations 2006 and hence Forum should not entertain the matter.

About the excess M.D. charges for the period of March-2010 to Sept-2010 the Respondent took same stand of 6.6 of MERC (CGRF & EO) Regulation 2006 and requested not to entertain the issue.

Regarding the refund of DPC and interest charged for non-payment of M.F. recovery the Respondent requested Forum not to entertain the issue being it is time barred. However, he agreed to correct the contract demand from 98 KVA to 133 KVA as per commercial circular no. 78 of 2008.

The matter was heard again on 19/07/2012 both the parties were present, documents on record and arguments during the hearing reveals that the process of refund of RLC is stopped by the Respondent from Oct-2011 and the balance amount of ₹ 51,694/- has to be refunded alongwith interest @ of 6% p.a. It is also true that the Respondent utility has clear the intension to refund the amount but awaited for the guidelines and directives from the Commission. Hence Forum feels that it should be refunded immediately on receipt of the directives from the Commission alongwith the interest of 6% p.a. from July-2008 onwards till its realization.

About the P.F. penalty charged in the month of Sept-09 Forum feels that it will not worth to consider the old claims as section 6.6 of MERC (CGRF & EO) Regulations 2006 do not permit the Forum to entertained the issues beyond period of 24 months.

The 6.6 of Regulations 2006 speaks as:

“The Forum shall not admit any Grievance unless it is filed within two (2) years from the date on which the cause of action has arisen”.

However the P.F. penalty charged in the month of July-2010 could not be considered as time barred and is well within the 2 years period hence utility should refund it through the bill.

Similarly the excess M.D. collected without resetting the M.D. which is mandatory in case of LT M.D. Meter during every reading cycle hence it should be refunded for the period of April-10 to Sept-10. However, the M.D. charges recovered for the first month of March-10 could not be refunded as it was established in that month, hence it becomes payable.

As agreed by the Respondent the contract demand should be corrected to 133 KVA and should be displayed on bill.

The wrongly charged M.F. recovery is already withdrawn by the utility. However, the DPC and interest charged on this amount for the period of March-10 to Aug-10 for an amount of ₹ 30,809/- should be withdrawn and if paid, by the consumer should be credited through the bill.

ORDER

The Application is allowed

The Respondent is directed to

1½ Refund the balance RLC amount along with the interest @ 6% p.a. on receipt of the directive from the Commission.

2½ P.F. penalty should be withdrawn and ascertain P.F. correctly and incentive should awarded accordingly for the month of July-2010.

3) The excess M.D. charges recovered for the period of April-10 to Sept-10 should be refunded through the bill.

4) The wrongly charged DPC and interest on the M.F. recovery for the period of March-10 to Aug-10 should be withdrawn and it paid by consumer should be credited through the bill.

Compliance should be reported within 60 days from date of receipt of this order.

No order as to the cost.

Both the parties be informed accordingly.

The order is issued under the seal of consumer Grievance Redressal Forum M.S.E.D.C. Ltd., Bhandup Urban Zone, Bhandup on 26th of July 2012.

Note : 1) If Consumer is not satisfied with the decision, he may proceed within 60 from date of receipt of this order to the Electricity Ombudsman in attached "Form B".

Address of the Ombudsman
The Electricity Ombudsman,
Maharashtra Electricity Regulatory Commission,
606, Keshav Building,
Bandra - Kurla Complex, Bandra (E),
Mumbai - 400 051.

2) If utility is not satisfied with order, it may go in writ before the Hon. High Court within 60 days from receipt of the order.

DR. ARCHANA SABNIS
MEMBER
CGRF, BHANDUP

S. K. CHOUDHARY
CHAIRMAN
CGRF, BHANDUP

R.M. CHAVAN
MEMBER SECRETARY
CGRF, BHANDUP