



Consumer Grievance Redressal Forum, Kalyan Zone
Behind "Tejashree", Jahangir Meherwanji Road, Kalyan (West) 421301
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IN THE MATTER OF GRIEVANCE NO. K/E/344/388 OF 2010-2011 OF
M/S. EVERITE TUBE COMPANY, VASAI REGISTERED WITH CONSUMER
GRIEVANCE REDRESSAL FORUM KALYAN ZONE, KALYAN ABOUT
EXCESSIVE BILLING.

M/s. Everite Tube Company
Gala No. 07, Sector – II
V.T.I.C. Gauripada,
Vasai (East), Dist. : Thane

(Here-in-after
referred
as Consumer)

Versus

Maharashtra State Electricity Distribution
Company Limited through its
Dy. Executive Engineer
Vasai Road (East) Sub-Dn.
Vasai, Dist. Thane.

(Here-in-after
referred
as licensee)

- 1) Consumer Grievance Redressal Forum has been established under "Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Ombudsman) Regulation 2006" to redress the grievances of consumers. This regulation has been made by the

Maharashtra Electricity Regulatory Commission vide powers conferred on it by Section 181 read with sub-section 5 to 7 of section 42 of the Electricity Act, 2003. (36 of 2003).

- 2) The consumer is a L.T-V. consumer of the licensee with C. D. 54 KVA. The Consumer is billed as per Industrial tariff. Consumer registered grievance with the Forum on 15/06/2010 for Excessive Energy Bills. The details are as follows: -

Name of the consumer :- M/s. Everite Tube Company

Address: - As given in the title

Consumer No : - 1)001890269792 – 65 HP

2)001890269881 – 1 Phase

Reason of dispute: Excessive Energy Bills.

- 3) The batch of papers containing above grievance was sent by Forum vide letter No EE/CGRF/Kalyan/242 dated 15/06/2010 to Nodal Officer of licensee. The licensee filed reply vide letter No. IGRC/VC/CGRC-0344/0388/2010-11/4654, dated 03/07/2010.
- 4) The forum heard both the parties on 07/07/2010 @ 15.00 Hrs. in the meeting hall of the Forum's office. Shri Harshad Sheth, Shri Vinit Sheth representatives of the consumer & Shri S. R. Purohit Nodal Officer and Shri S. M. Bangar, Dy. Ex. Engr. representatives of the licensee, attended hearing. Minutes of the hearing including the submissions made by the parties are recorded and the same are kept in the record. Submissions made by each party in respect of each grievance shall be referred while deciding each of the grievances to avoid repetition.
- 5) Consumer has taken electricity connection from the Distribution Licensee (DL) to the company premises situated at Gauripada, Vasai (East) in the

year 1997. According to consumer since December 2003 erstwhile MSEB had to measure load by M.D. meter only and not by physical connected load method. It is averred in June 2004 officials of the MSEB visited the site and measured load by connected load method instead load by MD meter and in July 2004 revised the load to 69.35 HP from original 65 HP wrongly and on the basis of that charged excess penalty for previous period and continued till July 2005. It is the contention of consumer that as per the directions given by Hon. MERC in case No. 2 of 03 dt. 14/07/05 and the directions of Hon. Ombudsman in representation No. 39 of 06 dt. 05/09/06 connected load penalty is to be calculated and excess penalty to be refunded as per the chart enclosed. So far P.F. penalty, it is to be charged from August 2008 consumer's meter reading for the month of July 08 shows zero therefore bill for the month of August 08 shows two months consumption consequently 50% consumption of the month of July 2008 has to be reduced from the total consumption however officials of the licensee fed wrong data to the system in connection with PF penalty incentive for the month of Sept. and Oct. 09. It is contended in Sept 09 KWH was shown 12026 when actually it was 11026 and in Oct. 09 KWH was shown 6456 but wrongly shown 7462 instead 6462 thereby PF penalty comes as 0.1 therefore excess penalty charged needs to be refunded as per the enclosed chart. It is further contended that consumer's single phase connection was permanently disconnected and the amount in this context i.e. SD/ASD/RLC was necessary to be refunded with interest, however, inspite of departmental circular of Sept. 2009 officials of the licensee did not refund the same due to inaction/lethargy and on this count compensation is necessary to be paid as per the MERC Regulation 2005

and the SOP. Vide letter dt. 13.02.10 / 28.05.10 consumer apprised the licensee to refund the amount as above but not responded therefore consumer approached the IGR Cell but in vain as usual, and hence lodged this grievance with prayers to direct the licensee to refund excess connected load penalty and P.F. penalty with SD/ASD/RLC in connection with single phase meter with interest as per the directions of the Hon. MERC and Ombudsman.

- 6) Licensee filed their reply on 03/07/2010. It is contended that consumer did not complain on zero unit consumption bill during July 2008 and August 08, consequently connected load bill was correctly raised hence question of refund of any amount towards connected load does not arise. So far PF penalty, as per the guide lines given by Hon. MERC has been calculated and as such no difference is to be paid to this aspect. So far single phase connection No. 001890269881 it is averred, no details of the same were given nor consumer made separate application for permanent disconnection (PD) as per the procedure and on furnishing the same, SD & RLC to that aspect will be refunded as per rules. In short, according to licensee no amount as regards PF penalty and connected load is to be refunded and as consumer did not furnish details on single phase connection any inaction/lethargy on the part of licensee does not arise consequently prayed to dismiss the grievance since sans merit.
- 7) On perusal of the record and hearing both the parties following points arise for the consideration of Forum and findings thereon for the reasons recorded below :

Points	Findings
a) Whether licensee is liable to refund the amount of excess connected load penalty as per order of Hon. MERC ?	Yes
b) Whether licensee is liable to refund the amount of excess P F. penalty as per order of Hon. MERC ?	Yes
c) Whether licensee is liable to disconnect permanently single phase meter and to transfer the amount of SD/ASD/RLC to the consumer's LT-V connection ?	Yes
d) What Order ?	As per Order below

Reasons

- 8) At the outset learned representative for the consumer submitted that officials of the licensee have not supplied them correct and update CPL for want of which they face difficulty to put forth their grievances properly. During the course of hearing Forum directed the representative for the licensee to supply correct and up-date CPL to consumer and accordingly it was supplied. In fact, officials of the licensee are duty bound to supply correct and update CPL as and when required.
- 9) Learned representative for the consumer inviting our attention to the chart enclosed as regards refund of excess connected load penalty and PF penalty submitted that MD tariff started from Aug. 08 but penalty is charged on two months consumption of July and August 08, in July 08 PF penalty was not applicable so 50% PF penalty needs to be refunded. He urged with force that exaggerated KVAH is used to charge PF penalty instead giving 7% incentive on PF. So far connected load charges according to the consumer also to be refunded since collected in excess as per the

directions of Hon. MERC in case No. 02 of 03 dt. 14/07/05 and Hon. Ombudsman in representation No. 39 of 06, dt. 05/09/06 however due to negligence, inaction, lethargy on the part of officials of the licensee, raising irrelevant points avoided to refund amounts on the above counts.

- 10) In contra, learned representative for the licensee submitted that excess charges of connected load penalty have not been claimed prior to two years and that PF penalty calculation has been correctly made and as such no refund needs to be given on this count to the consumer. Pointing calculation depicted by the consumer he urged with force that RKVAH is to be used as one of it's parameter and not RKVAH (Lag) and further submitted that RKVAH is not equal to RKVAH (Lag) only but it is the vector sum RKVAH (Lag) and RKVAH (Lead). Dy. Executive Engineer in his letter dt. 28/05/10 pointed out that power factor calculation is to be made in the light of MERC tariff order in case No. 116/09, dt. 01/08/09 is to be made. We have gone through the detail order of Hon. MERC dt. 17/08/09 page No. 239 and subsequent clarificatory order dt. 12/05/10. In clarificatory order Hon. MERC on page 3/4 stated vide chart :

Power Factor Penalty (Applicable for HT-I, HT-II, HT-IV, HT-V and HT-VI categories, as well as LT-II (B), LT-II (C), LT-III and **LT-V** (B) categories). Whenever the average PF is less than 0.9, penal charges shall be levied at the rate of the following percentages of the amount of the monthly bill including energy charges, reliability charges, FAC and Fixed/Demand Charges, but excluding Taxes and Duties :

Sr.No	Range of Power Factor	P. F. Level	Penalty
1	0.895 to 0.900	0.90	0%
2	0.885 to 0.894	0.89	2%
3	0.875 to 0.884	0.88	3%
4	0.865 to 0.874	0.87	4%
5	0.855 to 0.864	0.86	5%
6	0.845 to 0.854	0.85	6%
7	0.835 to 0.844	0.84	7%
8	0.825 to 0.834	0.83	8%
9	0.815 to 0.824	0.82	9%
10	<u>0.805 to 0.814</u>	<u>0.81</u>	<u>10%</u>

Dy. Executive Engineer Vasai Sub/Dn. by reply dt. 28/05/2010 pointed out calculation on charging of PF penalty. On the premise it is apt to direct the officials of the licensee in the light of the chart furnished by the licensee to calculate PF penalty as per the directions given in the MERC order and to return the amount if found collected excess, to the consumer.

- 11) So far connected load penalty consumer has enclosed calculation chart. Hon. MERC in case No. 02 of 03 dt. 14/07/05 and Hon. Ombudsman in representation No. 39 of 06 dt. 05/09/06 clearly observed that the licensee is duty bound to work out the refund suo-moto instead raising lame excuses. According to consumer in the light of the chart enclosed and the recitals in the application referred to above, licensee have to make calculation. On going through the say filed by the licensee and the recitals in the application dt. 13.02.10 and 28.05.10 it is proper to direct the licensee to calculate the connected load penalty in the light of the directions

given by the Hon. MERC and the Ombudsman and to refund if excess collected to the consumer.

- 12) According to consumer single phase connection provided earlier in 1997 has to be disconnected permanently since it's load has been diverted to three phase connection consequently amount of SD/ASD/RLC has to be transferred to the consumer's existing LT-V connection. At this juncture licensee pointed out that consumer has not given details of the single phase connection nor tendered separate application for P.D. In this context consumer submitted that department circular of Sept. 2009 (not produced) is eloquent on this point and the delayed action to this aspect follows compensation. In order to get refund of SD/ASD/RLC of earlier connection it is for consumer to produce receipt thereof in view of revenue/audit precedents however consumer is silent on production of receipts therefore it is difficult to say that licensee acted contrary to the circular consequently question of saddling compensation in view of Regulations Maharashtra Electricity Regulatory Commission (Standards of Performance of Distribution Licensees, Period for Giving Supply and Determination of Compensation) 2005 Appendix 'A', Clause 7 (iii) does not arise. Consumer if gives an application for PD and produce receipts licensee is under obligation to refund the concerned amounts to the consumer as per the directions given by Hon. MERC and Ombudsman.
- 13) It is to be noted that learned representative for the consumer alleged that officials of the licensee give anti consumer treatment, do not even peep to their documents and their attitude is recalcitrant towards the consumer. In the present scenario considering the laudable objects of the Electricity Act 2003 and the directions given by the Hon. MERC, Ombudsman it is high

time for the officials to hear the consumers patiently and to act wisely so that consumers as a whole would not put to trouble, inconvenience, harassment. In view of the discussion supra, it is apparent that licensee is liable to refund connected load penalty and P.F. penalty if collected excess, as per the directions of the Hon. MERC and Ombudsman. So far PD of single phase connection, on furnishing separate application as required licensee to disconnect the same permanently and to refund concerned amounts on production of receipts to the consumer as per rules. As regards CPL licensee to supply the same correct and update as and when required. Points are therefore answered accordingly. Consequently grievance application will have to be allowed.

- 14) While parting to the matter it is to be noted that this reference was submitted by the consumer before the Forum and was registered on 15/06/2010. Vide para 6.18 of Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006 Forum to decide the grievance within a period of two months from the date of receipt. Learned representative for the licensee sought time to file written argument therefore delay is caused in deciding the grievance. Hence the order :

O-R-D-E-R

- 1) The grievance application is allowed.
- 2) Licensee is directed to refund the amount of PF penalty and connected load penalty if recovered excess to the consumer as per the directions of Hon. MERC and Ombudsman.

- 3) Consumer to furnish separate application for permanent disconnection of single phase connection and on furnishing the same, licensee to disconnect the same permanently and transfer the amount of SD/ASD/RLC to the consumer's LT-V connection on production of receipts as per rules.
- 4) Licensee to furnish update and correct copy of CPL to consumer as and when required.
- 5) The Compliance should be reported to the forum within 60 days from the date of receipt of this decision.
- 6) The Consumer can file representation against this decision with the Hon. Electricity Ombudsman within 60 days from the date of this order at the following address.

"Office of the Electricity Ombudsman, Maharashtra Electricity Regulatory Commission, 606/608, Keshav Bldg, Bandra Kurla Complex, Mumbai 51".

- 7) Consumer, as per section 142 of the Electricity Act, 2003, can approach Hon. Maharashtra Electricity Regulatory Commission for non-compliance, part compliance or delay in compliance of this decision issued under "Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Ombudsman) Regulation 2003" at the following address:- *"Maharashtra Electricity Regulatory Commission, 13th floor, World Trade Center, Cuffe Parade, Colaba, Mumbai 05"*

Date : 20/09/2010

(Mrs. S.A. Jamdar)
Member
CGRF Kalyan

(R.V. Shivdas)
Member Secretary
CGRF Kalyan

(S.N. Saundankar)
Chairperson
CGRF Kalyan