

MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO.LTD
Consumer Grievance Redressal Forum
Nagpur Zone Rural,Nagpur

Application /Case No.CGRF/NZ/Rural/278 of 2010

In the matter of Charges for giving Supply

M/s. Jagdamba Agro Processors Cotton Appellant
Ginning & Pressing Factory

V/s

Maharashtra State Electricity Distribution Co. Ltd..... Respondent

Present:

1. Smt.S.B.Chiwande,Member Secretary
2. Shri. M.G.Deodhar, Member

On behalf of the Appellant:

1. Shri. Suhas Khandekar, Representative.

On behalf of the Respondent:

1. Shri.S.S.Tayde, Executive Engineer
2. Shri.D.R.Bawankar,Assistant Engineer
3. Shri.S.N.Kene, Jr.Law Officer

ORDER

Date: 21st December, 2010

M/S. Jagdamba Agro Processors Cotton Ginning & Pressing Factory, Goiwada, Deurwada Road Arvi, the Appellant has filed grievance application in form schedule A under Regulation 6.4 of the Maharashtra Electricity Regulatory Commission (C.G.R.F & E.O) Regulations,2006 on Dt.22.10.2010.The brief details of the grievance are as under.

The Appellant had applied to Maharashtra State Electricity Distribution Co. Ltd. (hereinafter referred to as the Respondent) for Contract demand of 200 KVA & connected load of 186.50 KW . For which the respondent prepared an estimate on Dt.20.10.2008 of Rs.334030/-under 1.3% ORC Supervision Scheme. The estimate

includes cost of Tapping Structure (HT line) & Service Connection Charges. The respondent sanctioned the load on Dt.23.10.2008 in which Following charges were levied

1. Service Connection Charges	Rs. 15000/-
2.1.3% ORC Charges	Rs. 4290/-
3. Cost of Agreement	Rs. 200/-
4. Cubical & Cable Testing Charges	Rs. 5000/-
5. Processing Fee	Rs. 1000/-
6. Security Deposit	Rs.331080/-

Total Rs.356570/-

The respondent asked the appellant to carry out the work as per sanctioned estimate by paying 1.3% Supervision charges .The respondent while sanctioning the load in its order had directed the appellant to procure the metering Cubicle. Accordingly the appellant procured it from the respondent's approved Manufacturer M/S. Huphen Electromech Pvt.Ltd, Nashik. The Appellant paid the above charges & completed the work as per sanctioned order. Subsequently the appellant came to know that many of the charges were incorrectly levied on the consumer as they were not in line with MERC directives. The appellant also came to know that the many of the expenses incurred by the consumer should actually have been borne by the respondent. He applied to the Superintending Engineer, Wardha on Dt.18.08.2010 for refund of amount Rs.283293/- with interest at standard Bank rate from the date of the Payment to the date of refund.. He cited the Hon'ble MERC's order in case No.70 of 2005 in support of his case. In response to his letter, the Superintending Engineer vide his Ltr.Dtd.14.09.2010 informed the appellant that as per Regulation 3.3.2 of MERC Regulation 2005 ,where the provision of supply to an applicant entails works of laying of service line from the Distribution main to the applicants premises, the Distribution Licensee shall be authorized to recover all expenses reasonably incurred on such works from the applicant, based on the scheduled of charge approved by the commission under Regulation 18. The appellant had given consent on Dt.18.07.2008 & Dt.20.08.2008 to bear the cost of estimate to carry out the required work & providing of metering Cubicle at their cost for new HT power supply. As such, the respondent is authorized to recover the 1.3% supervision charges for laying of

Distribution system to supply to the Appellants Company, hence rejected the appellants request for refund of amount.

The Appellant submits that the Respondent had rejected his application of refund only because he had consented to carry out the work & to procure the metering cubicle at his cost. The appellant refers to para 29 of the order of Electricity Ombudsman in case No.46 of 2008. The relevant sentences are reproduced below-

“ In effect, by Load sanction order of 7th October 2006, the Respondent sought to enforce something which was legally invalid in the sense that it was made in manner which was not conforming with the provision prescribed by the statute (“Schedule of charges”). In the result, assuming but without holding that the Appellant had consented to buy to the cubicle, obtaining such consent, not in conformity with the law, would be impermissible to be enforced.”

In view of above, the Respondent's contention that there can be no refund merely because the appellant had consented to carry out the work & also to procure the metering cubicle at his cost is untenable. He further submits that The Respondent had charged Rs.15000/- as Service connection charges which are applicable for Overhead service connection as per Commissions approved Schedule of charges in case No.70 of 2005, however the respondent had provided Underground Service connection. Therefore the amount Rs.15000/- is required to be refunded to the Appellant. The appellant has also referred to & relied upon the Electricity Ombudsman's order passed in the representation No. 46 of 2008 in support of his case towards cost of metering cubicle. The appellant has relied on various provisions of the regulations and the 'Schedule of charges' to say that the Commission had allowed the Consumer to carry out the work of Service connection part through the Licensed Electrical Contractor by paying 1.3% Supervision charges, which works out to Rs.2275/-. These charges are fixed, irrespective of the actual quantum of work. Therefore the excess charges recovered by the respondent should be refunded.

The commission has approved the metering cubicle cost as Rs.67958/- is the cost of purchasing the cubicle and the cost of transportation & unloading/handling which are incidental to purchasing but does not cover its installation which should have been done at their cost by the Respondent. Hence, cost of all work carried out for its installation like the cost of meter room, earthing etc should have been refunded by the Respondent. The valuation certificate of Registered Engineer is taken for claiming the cost of metering

room as Rs.93150/- .Similarly the Cost of earthing & copper strips have been claimed as Rs.70000/- & Rs.23000/- respectively, as per the estimate sanctioned by the Respondent. The appellant prays for refund of expenses amounting to Rs.276323/- as detailed below:-

1.Service connection charges	Rs. 15000/-
2. Cost of Agreement	Rs. 200/-
3. Cubical & cable testing charges	Rs. 5000/-
4. Cost of Metering Cubicle	Rs. 67958/-
5.Cost of room for metering cubicle	Rs. 93150/-
6.Cost of Earthing	Rs. 70000/-
7. Cost of Copper Strips	Rs. 23000/-
8.Diff of 1.3 % Supervision Charges (4290-2275 = 2015/-)	Rs. 2015/-

Total Rs.276323/-

He also prayed for compound interest at standard rates on the above amount to be refunded, statement showing the calculations of the refund amount & time frame in which the above amount shall be refunded to the appellant.

The respondent filed its parawise reply on Dt.08.11.2010 to the points raised by the appellant. It is submitted that the appellant had HT connection with a sanctioned demand of 200 KVA & connected load of 186.5 KW. The respondent had sanctioned the above load on dtd.23.10.2008 & issued demand. Accordingly the appellant paid the charges of Rs.356570/-.The appellant had submitted consent on dtd.18.07.2008 & dtd 20.08.2008 to bear the cost of estimate . The charges recovered in the present case is as per order passed by MERC in case No. 70 of 2005. It is further submitted that As per Regulation 3.3.2 of MERC Regulation 2005,where the provision of supply to an applicant entails works of laying of service line from the Distribution main to the applicants premises, the Distribution Licensee is authorized to recover all expenses reasonably incurred on such work from the applicant ,based on the Schedule of charges approved by the Commission under Regulation 18.The respondent has not recovered the cost of metering CT PT cubicle & cost of TOD meter from the appellant. The appellant carried out the works through a License Electrical Contractor under 1.3% supervision

charges by paying Rs.4290/- as against the cost of estimate of Rs.334030/-. As such the Service connection charges of Rs.15000/- levied & recovered from the Appellant is as per provision of Schedule of charges. The Respondent had released the supply of electricity from 11 KV overhead lines through underground cable upto metering cubicle. The amount Rs.276323/- claimed for refund by the appellant is not as per the provision of regulation. With this submission ,the respondent prays for rejecting the appellants grievance.

The matter was heard on 25th November 2010. Shri.Suhas Khandekar, Representative represented the Appellant., Shri.S.S.Tayde Executive Engineer/Nodal Officer Wardha Circle, Shri.D.R.Bawankar.Assistant Engineer, Shri.S.N.Kene Jr.Law Officer were present on behalf of the Respondent. Shri.Khandekar reiterated Appellants submission made in the grievance. The respondent argued that the appellant has given its consent to bear the cost of estimate & paid 1.3% supervision charges & opted to carry out the work himself. The respondent has not forced the appellant, hence the demand raised by the respondent is correct & is as per MERC directives.

Having heard both the parties & on careful consideration of documents on record it is noticed that the appellant had applied for HT supply with contract demand of 200 KVA. The respondent sanctioned the above load. The charges were paid & completed the work as per sanction by the appellant . It appears that the appellant has carried out the work of Service connection part & Tapping Structure as per sanctioned estimate by paying 1.3% supervision charges. The respondent had already recovered 1.3 % normative charges for the required work to be carried out.. The other issues regarding refund of metering cubicle, Testing charges, were elaborated in detail in the representation No.67 of 2008 & 46 of 2008 of Electricity Ombudsman's order. In spite of the commissions clear order on Schedule of charges, the Distribution Licensee ignored the provision & asked the consumer to procure the metering cubicle.

The commission has approved the metering cubicle cost as Rs.67958/- in case where the consumer elects to buy it from MSEDCL. Therefore respondents liability towards reimbursement to the appellant is limited to this cost alone & no more irrespective of the fact that expenses incurred by the appellant exceed this amount which include transportation as well as unloading & handling charges.

The respondent charged Rs. 5000/- for ex-factory testing of metering cubicle, such charges shall be applicable only in case the consumer request the licensee to test the meter. Here the expenditure towards first testing prior to release of connection and all routine testing as per regulation 14.4.1 of supply code shall be borne by the Distribution Licensee.

In view of above the respondent is therefore directed to refund the amount as detailed below:-

1. Service connection charges	Rs.15000/-
2. Cubicle & cable testing charges	Rs. 5000/-
3. Cost of Metering Cubicle	Rs.67958/-
4. Cost of Agreement	Rs. 200/-

Total Rs.88158/-

The appellant failed to bring its grievance to the notice of the respondent several month. In view of this the appellants claim for interest on the refund amount is hereby rejected.

With the above observations, the Forum unanimously pass the following order

ORDER

1. Application is partly allowed.
2. The respondent is directed to refund the amount Rs.88158/- as detailed above.
3. The respondent shall carry out this order & report compliance to this forum in 30 days.
4. There is no order as to cost.

Sd/-
Member Secretary

Sd/-
Member

CONSUMER GRIEVANCE REDRESAL FORUM
M.S.E.D.C.L (NAGPUR ZONE RURAL) NAGPUR

**CONSUMER GRIEVANCE REDRESSAL FORUM
NAGPUR ZONE (RURAL) M. S. E. D. C. L.**

Plot No.12, Shrikrupa, Vijaynagar, Chhaoni,
NAGPUR – 440 013
(O) 0712- 2022198

NO. CGRF/NZ/R/

Date :

Certified copy of order dtd 21st December,2010 in Case No. 278/2010

is enclosed herewith.

Member-Secy/ Exe.Engineer,
C.G.R.F.(NZ-R)MSEDCL
N A G P U R

Copy to:-

1. M/S. Jagdamba Agro Processors Cotton Ginning & Pressing Factory,Goiwada,Deurwada
Road Arvi, District-Wardha.
2. The Chief Engineer,Nagpur Zone (Rural)MSEDCL, Vidyut Bhavan,Katol Road, Nagpur.
3. The Superintending Engineer ,O&M Circle, MSEDCL. Wardha.
4. The Exe.Engineer/N.O., O&M Circle, MSEDCL. Wardha for information and necessary
action.

Address of **the Electricity Ombudsman** is given as below.

Office of - **The Electricity Ombudsman,**
Maharashtra Electricity Regulatory Commission,
606-608, Keshava Building,
Bandra-Kurla complex,
MUMBAI- 400 051

TEL.- 022 - 26592965 (Direct)
022 - 26590339 (Office)