

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

Application /Case No.CGRF/NZ/Rural/261 of 2010

In the matter of Additional load/Contract demand

M/s. Shrikrishna Ginning & Pressing Factory..... Appellant

V/s

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

Present:

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

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: 14th October, 2010

M/S. Shrikrishna Ginning & Pressing Factory, MIDC Deoli, 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.16.08.2010.The brief details of the grievance are as under.

The Appellant had HT connection with having Contract demand of 200 KVA & connected load of 190 KW. In July 2008,the appellant had applied for enhancement of load from 190 KW to 380 KW & Contract Demand from 200 KVA to 380 KVA. For which the respondent prepared an estimate on Dt.08.10.2008 of Rs.283920/-under 1.3% ORC Supervision Scheme. The estimate includes cost of HT line & Service Connection

Charges. The respondent sanctioned the load on Dt.16.10.2008 in which Following charges were levied

1. Service Connection Charges	Rs. 15000/-
2.1.3% ORC Charges	Rs. 3645/-
3. Cost of Agreement	Rs. 200/-
4. Cubical & Cable Testing Charges	Rs. 5000/-
5. Processing Fee	Rs. 1000/-
6. Security Deposit	Rs.291846/-

Total Rs.316691/-

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 Vendor M/S. Huphen Electromech Pvt.Ltd, Nashik. The Appellant paid the above charges on Dt.17.10.2008 & completed the work as per sanction 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.13.05.2010 for refund of amount Rs.353814/- with 18% interest. He cited the Electricity Ombudsman order in representation No.46 of 2008 in support of his case. In response to his letter, the Superintending Engineer vide his Ltr.Dtd.19.06.2010 informed the appellant that as per Regulation 3.3.4 of MERC Regulation 2005 for augmentation of the Distribution system, the Distribution Licensee shall be authorized to recover the expenses from the appellant such proportion of expenses incurred on the works at the load applied for bears to incremental capacity that will be created by augmentation of Distribution system. He further adds that the enhancement of Contract demand/Connected load exceeds more than 25% of the capacity of previous sanctioned demand, hence the respondent is authorized to recover the expenses required for augmentation. The appellant had given consent to bear the cost of estimate & carry out the works under 1.3% ORC Supervision Scheme ,hence rejected the appellants request for refund of amount.

The appellant feels that the respondents argument has misplaced on two counts. The Regulation talks about augmentation of entire distribution system & not just the consumers load . The applicability of this would arise if and only if the entire Distribution system needs to be augmented & that too if the additional demand of the consumer exceeds 25% of the final capacity that will be created by the augmentation. In present case the works covers only one pole with accessories & a short length of conductor that has been added to the distribution system, which can not be considered as an augmentation of the entire distribution system. The Appellant refers to & relies upon the Maharashtra Electricity Regulatory Commission's order in case No.70 of 2005 to say that in case a consumer applying for additional load/Contract demand entails any works ,the Commission has allowed the respondent to recover the normative charges for total load (including existing load). The appellant submits that he already had indoor type metering cubicle for metering purpose connected through 11 KV grade 3C X 50 Sq.mm cable which was sufficient to take care of increased sanctioned load & therefore only works required to be done was to change the CT's in the metering cubical. In addition, the appellant refers the Commission's order in case No.56 of 2007 wherein Commission's clarified that an individual consumer can not be burdened with the cost unless it is a dedicated Distribution facility. The appellant has also referred to & relied upon the Electricity Ombudsman's order passed in the representation No. 67 of 2008 & 46 of 2008 in support of his case .The appellant has relied on various provisions of the regulations and the 'Schedule of charges ' to say that the Distribution Licensee can recover the normative charges for total load/Contract demand only if release of such additional load entails any works. In present case, there is no additional works involved in providing the extended load & as such the respondent can not recovered the charges. The appellant prays for refund of expenses amounting to Rs.445664/- 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 estimate	Rs.215332/-
(Excluding cost of Metering cubicle)	
5. Cost of Metering Cubicle	Rs.109000/-

6. Cost of room for metering cubicle	Rs. 94162/-
7. Transportation charges for metering cubicle	Rs. 5520/-
8. Cost of unloading/handling of metering cubicle	Rs. 1450/-

Total Rs.445664/-

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.07.09.2010 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 190 KW. The appellant had applied for extension of load from 190 to 380 KW & contract demand from 200 to 380 KVA in July 2008. The respondent sanctioned the load extension on dtd.16.10.2008. Accordingly the appellant paid the charges of Rs.316691/-. The appellant had submitted consent to bear the cost of estimate & carried out the work under 1.3% supervision charges relating to connection at its option. The charges recovered in the present case is as per order passed by MERC in case No. 70 of 2005 Annexure I. It is further submitted that the respondent is authorized to recover the expenses required for augmentation where the load applied for exceeds 25% of the capacity . As per Regulation 3.3.4 of condition of Supply 2005 itself calls for recovery of proportionate expenses reasonably incurred on additional work in provision of supply. He adds that the order passed by MERC in case No.56 of 2007 is not applicable to the facts of the present case as this order is in respect of dedicated Distribution facility. Also the order passed by the Electricity Ombudsman in case No.67 of 2008 & 46 of 2008 are not applicable as this orders are in respect of recovery of cost of Metering CT PT cubicle & cost of TOD meter. 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 under 1.3% supervision charges by paying Rs.3645/- as against the cost of estimate of Rs.283920/-. The amount Rs.445664/- 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.

In his further submission made on 17.09.2010, the appellant says that the only amount that was required to be spent by the appellant in this case was towards any

additional security deposit due to anticipated increase in the monthly energy bill, however the respondent has forced the appellant to procure the material & to carry out the entire work which were not required at all. The claim for refund made by the appellant is as per the estimate prepared by the respondent . As the charges of transportation ,unloading & handling of metering cubicle were not available, the actual expenses incurred were claimed ,in regard to the cost of room for metering cubicle, the valuation certificate of Registered Engineer is taken. The appellant have not claimed any thing extra ordinary & thus the amount claimed is valid & is to be refunded.

The matter was heard on 23rd September 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. The respondent was asked to explain whether the works related in the present case was required for releasing additional load. The respondent explains that the entire work was carried out as per the joint inspection report of respondent & the appellant. Both the parties submitted additional information on dtd.27.09.2010 & 29.09.2010 respectively.

Having heard both the parties & on careful consideration of documents on record it is noticed that the appellant had applied for enhancement of load from 200 KVA to 380 KVA. The respondent sanctioned the load. The charges were paid & completed the work as per sanction by the appellant .In his further submission made on Dtd. 27.09.2010 the appellant says that the old cubicle was quite far away from the main entrance gate. A gate has been constructed near the new metering room for convenience of entry. The respondent says that the metering room was not available previously. The entire work was carried out as per the joint inspection report .The procedure for fixing “ Point of Supply” & “Release of new connection ” as per code of Commercial instruction (1996) were followed during load enhancement. It appears that the appellant has carried out the work by paying 1.3% supervision charges. The other issues regarding refund of metering cubicle, Testing charges, Transportation 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 appellant has claimed Rs.109000/- towards the cost of metering cubicle, transportation cost Rs.5520/- ,unloading & handling of metering cubicle 1450/- . 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 14th October,2010 in Case No. 261/2010 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. Shrikrishna Ginning & Pressing Factory,MIDC Deoli, 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)