

**Maharashtra State Electricity Distribution Co. Ltd.'s
Consumer Grievance Redressal Forum
Nagpur Zone, Nagpur**

Case No. CGRF(NZ)131/2016

Applicant : M/s.Ramsons TMT Pvt.Ltd.
A-301,Neeti Gaurav, Ramdaspeth
Central Bazar Rd.,Nagpur-10

Non-applicant : Nodal Officer,
The Superintending Engineer,
NRC,MSEDCL,
NAGPUR.

Applicant's Representative :- Shri Dave.

Respondent by: 1) Shri Gulhane, Dy.EE.(NRC),Nagpur
2) Shri Deshpande, AA (NRC),Nagpur

Quorum Present : 1) Shri Shivajirao S. Patil,
Chairman.

2) Shri N.V.Bansod
Member

3) Mrs. V.N.Parihar,
Member, Secretary

ORDER PASSED ON 02.09.2016.

1. The applicant filed present grievance application before this Forum on 05.08.2016 under Regulation 6.4 of the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006 (hereinafter referred to as said Regulations).

2. Applicant's case in brief is that on request of the applicant there was Permanent disconnection on 17-04-2015. Applicant issued letter dated 11-04-2015

to the non-applicant for refund of FCAC (Fuel cost adjustment charges) in billing of March-2015. On the basis of letter of Chief Engineer(Commercial) Mumbai dated 09-10-2015 issued to the Superintending Engineer, NRC, Nagpur IGRC has passed incorrect order. As matter of fact The Mahagenco is authority who works out FAC cost on the unit generated in that particular month and overall cost per unit is billed to the MSEDCL. Therefore FAC cost and units generated for the particular month by mahagenco with interest are distribute in particular month should be billed with the same FAC rate only. The applicant is unnecessarily billed with higher FAC charges in the month of March-2015. Therefore applicant claimed refund alongwith interest.

3. Non applicant, denied applicant's case by filing reply dated 24.08.2016. It is submitted that the FAC charged to the applicant is as per order of MERC and Circular of MSEDCL. Prior to issuance of Circular No.219 dated 03-07-2015, FAC charges levied in bill on the basis of month in which bill was issued therefore FAC charges issued as per circular No.209 dated 01-04-2015 to the billed in the month of April-2015. Thereafter as per circular No.219 dated 03-07-2015 from July-2015 FAC charges are being levied on the basis of month in respective of month bill in issued. The consumption of the applicant is 1542780 units from 28-02-2015 to 31-03-2015 i.e. in the month of March-2015 are billed in the month of April-2015 on dated 06-04-2015. Therefore FAC unit applicable as per circular No.209 dated 01-04-2015 of MSEDCL and rate applicable in 126.90 p.s./kwh and the same is charged in the bill. Grievance application deserves to be dismissed.

4. On the date of hearing Shri Dave representative of the applicant was present. However it is rather surprising to note that though it is case for refund of

Rs.1818166=23 even then nodal officer was absent. Superintending Engineer, NRC Nagpur Shri Pawar was absent. Executive Engineer, NRC Nagpur Shri Sadamate was also absent. Only Dy.Executive Engineer, NRC Nagpur Shri Harish Gulhane and Assistant Accountant Shri Shriram Deshpande were present and they argued the matter for MSEDCL. Therefore it appears that nodal officer and responsible officer of MSEDCL has no care to appear and argue before the forum on the date of hearing. It is a matter of Rs.18,18,166=23. Therefore it is important matter but responsible superior officer did not take any care to appear before the forum for argument. If really Superintending Engineer & Executive Engineer were either on leave or busy in any other work, they should have submit adjournment application to adjourn hearing but that precaution is also not taken. Officers in the rank of Dy.Executive Engineer & Assistant Accountant argued the matter on behalf of MSEDCL. They were also not authorize in written by Nodal Officer. It is desirous that Chief Engineer, Nagpur Zone, Nagpur may issue suitable direction to Superintending Engineer, NRC, Nagpur & Executive Engineer, NRC, Nagpur that in future they shall remain present before the forum in the case in which they are nodal officer and to protect valuable interest of MSEDCL.

5. Forum heard argument of both the sides and perused the record.

6. We have carefully perused circular No.207 dated 27-02-2015, circular No.219 dated 30-08-2015 & circular No.209 dated 01-04-2015 issued by Chief Engineer(Commercial), MSEDCL, Prakashgad, Mumbai.

7. Prior to issuance circular No.219 dated 03-07-2015, FAC charges levied in the bill on the basis of the month in which bill was issued and therefore FAC charges

were issued vide circular No.207 dated 27-02-2015 to be billed in the month of March-2015 and FAC charges issued vide circular No.209 dated 01-04-2015 to be billed in the month of April-2015. Thereafter as per circular No.219 dated 03-07-2015 from the month of July-2015, FAC charges is being levied on the basis of billing month irrespective of month in which bill is issued.

8. Record shows that consumption of the applicant is 1542780 units from 28-02-2015 to 31-03-2015 i.e. in the month of March-2015 is billed in the month of April-2015 on 06-04-2015. So the FAC applicable is as per MSEDCL circular No.209 dated 01-04-2015 and the rate applicable is 126.60 p.s./kwh & the same is charged in the bill of the applicant. Therefore no excess FAC charges are charged on the applicant. Therefore applicant is not entitled for any refund.

9. Representative of the applicant argued that these circular issued by Chief Engineer(Commercial), MSEDCL, Mumbai are not legal & proper. However we do not agree with this argument. In our opinion circular issued by MSEDCL are legal and proper and as per the relevant circular FAC charges are rightly calculated and recovered from the applicant but applicant is trying to misinterpret the relevant provision with intention to extract big amount from MSEDCL. It is not legal & proper.

10. **In case No.63/2012 decided by Hon'ble M.E.R.C.on 26-08-2012 in the matter of Stipulated of Revised ceiling for Levy of Fuel Adjustment Cost (FAC) by Distribution Licensees in the State of Maharashtra under Regulation 82 of the Maharashtra Electricity Regulatory Commission (Terms and Condition of Tariff) Regulation, 2005** on the page no.11 of 21 para 17 it is held as under;

“(vi) Fuel and Power Purchase cost is a major expense of the

distribution Company which is uncontrollable. Every State Commission must have in place a mechanism for Fuel and Power Purchase cost adjustment should preferably be on monthly basis on the lines of the Central Commission's Regulations for the generating companies but in no case exceeding a quarter. Any State Commission which does not already have such formula/mechanism in place must within 6 months of the date of this order must put in place such formal/mechanism."(emphasis added).

11. Relying on the authority cited supra we hold that FAC charges recovered from the applicant are legal and proper and applicant is not entitled for any refund.

12. Therefore we find no force in the present grievance application and application deserves to be dismissed. Hence the following order.

ORDER

1. Grievance application is dismissed.
2. Chief Engineer, Nagpur Zone, Nagpur is requested to issue directions to the Superintending Engineer, NRC, Nagpur and Executive Engineer, NRC, Nagpur that they should remain present before the forum for argument in future at the time of hearing of the case in which they are nodal officers and to protect valuable interest on MSEDCL.
3. Office of CGRF(NZ) Nagpur is directed to send copy of judgement to Chief Engineer(NZ) Nagpur for information and necessary action.

Sd/-

(N.V.Bansod)
MEMBER

sd/-

(Mrs.V.N.Parihar)
MEMBER/SECRETARY

sd/-

(Shivajirao S. Patil),
CHAIRMAN

